

VETERANS EMPLOYMENT PROGRAMS

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BEFORE THE
SUBCOMMITTEE ON
EDUCATION, TRAINING AND EMPLOYMENT
OF THE
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VETERANS' EMPLOYMENT PROGRAMS

FRIDAY, OCTOBER 9, 1981

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT,
HOUSE VETERANS' AFFAIRS COMMITTEE,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:30 a.m., in the board room, Education Center, East Side Union High School District, 830 North Capitol Avenue, San Jose, Calif., Hon. Don Edwards (acting chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. DON EDWARDS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. EDWARDS. The subcommittee will come to order. I welcome all of you today.

This is a hearing of the Subcommittee on Education, Training and Employment of the Veterans' Affairs Committee of the House of Representatives. This particular subcommittee is chaired by my good friend, Congressman Bob Edgar of Pennsylvania, and we're grateful to Congressman Edgar for allowing us to chair and hold this field hearing in this important part of the country.

I also want to welcome our colleague from the neighboring congressional district, Norm Mineta. Norm Mineta is an honorary member of the Veterans' Affairs Committee today because his interest and devotion to the interests of veterans of all wars is known and respected by all the other Members of Congress. Norm puts veterans first, as does the Veterans' Affairs Committee.

I'd also like to welcome Mr. Frank Stover, who is from the splendid staff of the Veterans' Affairs Committee in Washington. He and his staff have come here today to help us also.

We should also thank the superintendent of this school district, our good friend, Frank Fiscalini, for making this very nice place available to us.

Jobs are the No. 1 priority of Vietnam vets. There are approximately 186,000 veterans in Santa Clara County alone. And of this group, some 57,000 are Vietnam-era veterans. The average rate of unemployment of these Vietnam-era veterans, in 1980, was 4.5 percent, with considerably higher rates among the youngest of this group of veterans and among minority veterans.

It is the intention of this subcommittee, in holding today's hearing, to look at the current employment picture in Santa Clara County and to obtain information about the effectiveness of the various State and Federal programs which have been designed to improve the employment picture for Vietnam-era veterans. We also

want to assess the impact on these programs of the recent budget cuts proposed by the administration and to detail what steps Congress has taken to fill this void. Our subcommittee has been especially concerned with the budget cuts and how they affect veterans.

Last year, in an effort to demonstrate the determination of Congress to focus specific attention on veterans employment, the House and Senate approved legislation to elevate the Department of Labor's Deputy Assistant Secretary for Veterans' Employment to the Assistant Secretary level. We are disappointed that the Reagan administration has not given the same priority to veterans employment. After 10 months, this job of Assistant Secretary is still vacant.

Congress also acted last year to make permanent the very effective disabled veterans outreach program, known as DVOP, which had, until last year, been operated only as a pilot program. At the same time, the number of DVOP staff authorized was raised from 1,500 to 2,000.

In passing the Department of Labor's appropriation bill for fiscal year 1982, the House included \$43 million earmarked for 2,000 DVOP employees. In this era of massive cutbacks in Federal spending, this was a significant victory for the Veterans' Affairs Committee and for veterans. We hope the Senate will agree and the President will sign the appropriations bill so that the effectiveness of this program in the future can be insured.

We hope to hear from our witnesses today about the role DVOP plays or can play in this area of the south bay and, in particular, Santa Clara County.

Another employment program in which this subcommittee is especially interested is the veterans readjustment appointment program, or VRA. The House and Senate Veterans' Committees have agreed to extend this program for 3 years. The subcommittee hopes to hear from our witnesses this morning as to their experiences with the VRA program. We would be interested in your suggestions as to how the program could more effectively fulfill its mandate of assisting disadvantaged veterans in assuming productive roles in society.

There are other programs that Congress has enacted to assist Vietnam veterans in finding jobs. The targeted job tax credit program, which provides incentives for private industry to hire Vietnam-era veterans, as well as the statute which requires Federal contractors to take affirmative action to employ qualified disabled and Vietnam-era veterans, are among these programs. We welcome your comments on these programs also.

Before I welcome the witnesses, I yield to my distinguished colleague, Norm Mineta.

**STATEMENT OF HON. NORMAN Y. MINETA, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. MINETA. Mr. Chairman, thank you for the opportunity to join with you to hear testimony from the San Jose community on the problems veterans face in their efforts to obtain education, training, and employment, the specific focus today being on their employment problems.

Since coming to Congress in January 1975, I have been aware of the difficulties veterans, especially those of the Vietnam era, have faced in trying to return to productive roles in a stagnant economy.

Many of these veterans were drafted while in their late teens and early twenties. They were unskilled and most had only obtained a high school education. They were told that after they served their country honorably, their country would show its gratitude by providing them with an opportunity to complete college, or even high school if necessary. Job training and placement services were also promised.

My observations in the 13th Congressional District have shown that these promises were not always fulfilled, even though they are the very basis of our veterans program.

For many years, the Veterans' Administration has funded schooling and counseling projects. But during the early 1970's, the VA through its regulations allowed a proliferation of vocational and correspondence schools which in reality were only interested in obtaining the veterans tuition money. The Veterans' Administration has done an admirable job in recent years in tightening the criteria for eligible institutions and in establishing regulations to require that there be followthrough by these schools in helping veterans to obtain jobs. They have insisted that a certain percentage of graduates be placed into jobs and that records be maintained on job placements and the length of time people stay on the job.

However, at the same time that the VA was taking this approach, they were also making cutbacks in the personnel on campuses who provided valuable counseling services to the veteran.

These counseling services were part of two activities, the veterans cost of instruction program [VCIP] sponsored by the Office of Education and the vet rep program from the Veterans' Administration. Both of these programs provided outreach and counseling to veterans who were unsure of a personal direction to take, who needed assistance in job training and employment, or who needed guidance regarding their education objectives.

Due to budget cutbacks in both the Department of Education and the Veterans' Administration, these programs have been virtually eliminated. There is no outreach on our college campuses to educate veterans to the benefits they are eligible to receive. There is no counseling to help them choose an educational program that is right for them. There is no effort being made to find out why many veterans change their educational goals every year. There is little assistance in finding jobs for veterans. So while we are overworking and enlarging the job of the vocational counselors who are not on campus, we are providing less and less direct service to the veteran.

An additional problem that I have been aware of and one that I know, Mr. Chairman, you have worked on diligently, is the delimiting date. Many veterans have family commitments and personal problems to resolve before they were able to take advantage of educational benefits. Perhaps they decided that they needed a career change and were using their educational benefits to obtain the education and/or training needed to make the change. However, because of current law, many of them are unable to make full use of these benefits because their delimiting dates have passed.

It seems to me that if we are serious about maintaining a voluntary military, it is essential that we demonstrate our commitment to those who serve their country by insuring that education, job training, and placement and counseling services remain available. Educational benefits are and will always be a major incentive for people to enlist. We must, especially now, when educational grant and loan programs are being sharply curtailed, insure that higher education is available for more than just a very few. Educational benefits for veterans are an important part of our guaranteed national security.

It is for this reason that we will be hearing testimony today from people who are intimately connected with the day-to-day problems and concerns of veterans trying to obtain on-the-job training, make a career change, or receive a college degree.

We must reassure our veterans that even in this period of fiscal restraint, they are not being forgotten or turned aside. We must remember our veterans and our commitment to them. We must not allow our promises of assistance with education and jobs to be forgotten.

Thank you.

[The prepared statement of Congressman Mineta appears on p. 43.]

Mr. EDWARDS. Well, thank you very much, Norm. And I'm glad you mentioned the veterans' outreach program. There would not be any outreach program were it not for the Veterans' Affairs Committee of the House of Representatives. There was strong resistance to it, I think all of you know, in many quarters. We felt it was essential, and the Congress went along with it. Senator Alan Cranston helped us a lot in the Senate. And we have heard—and we are going to hear more about it today—that it is a successful program.

Now, once more, I would like to welcome you all here this morning and suggest that we proceed with our first panel of witnesses.

Our first witnesses this morning are Dr. Stewart Brown and Mr. James Barker, who are the team leaders of our two fine vet centers here in San Jose. Accompanying them are Ray Valles, a Vietnam veteran, and Ray Madrid, a member of the vet center outreach team.

Though the vet center program was designed to provide readjustment counseling services for Vietnam-era veterans and to help with delayed stress problems, a significant sector of the veterans seeking help from the centers indicate that employment problems are their major, initial concern.

Gentlemen, we are interested in learning what help the vet centers are able to provide such veterans. We welcome all of you. I believe we are going to hear first from Dr. Brown.

STATEMENT OF STEWART BROWN, TEAM LEADER, VET CENTER

Dr. BROWN. Perhaps it would be appropriate from the outset to note that Vietnam veterans employment issues are frequently presented from different vantage points. One view holds that employment is a key issue or may be even the only issue and that other veteran problems would somehow self-correct if vets had good jobs.

An alternate view holds that employment problems are merely one of several indicators of underlying mental or emotional distress on the part of many Vietnam combat veterans.

Other indications would include higher divorce and suicide rates, disproportionate numbers of incarcerated veterans, and higher incidence rates for drug and alcohol abuse.

Those who view employment problems as a symptom would argue that even if good jobs were available, many vets would have to quit or be terminated due to recurring inappropriate behavior.

My own view is that there are veterans who fit each of these descriptions. At the East San Jose Vet Center, we make an assessment of the veteran's needs and capabilities during the first or second visit, and then devise an informal treatment plan based on this assessment.

At present, approximately 32 percent of our clients, most of whom are Vietnam veterans, register some employment-related difficulty. Although we maintain a small file of job possibilities, our staff is too small to be of any real help in finding jobs for veterans. We, therefore, refer clients who need jobs to either the employment development department or the American GI Forum, both of which are located within one block of our vet center.

If the client also needs help with post-traumatic stress or some other psychological difficulty, we naturally schedule follow-up appointments at the vet center.

At present, however, it is difficult to coordinate a treatment plan which incorporates both vocational and psychological needs of the Vietnam veteran. The lack of coordination can be a significant issue for veterans who have little patience with employment agencies or any other bureaucratic process.

Recognizing the need for coordinated planning, the Palo Alto VA Hospital has vocational counselors and various paid work programs available to patients, but vet center clientele frequently resist the idea of going to the VA.

It has recently come to my attention that the State of California is in the process of hiring about 220 new counselors who will be dealing with veteran employment problems. It would be very helpful to have one or more of these counselors located in the vet centers.

In addition to the coordination problem I already mentioned, there is also a reverse coordination problem involving a veteran who shows no initial interest in counseling, even though he presents a disastrous employment history. Employment agencies are not trained to deal with the cause of an individual's recurring employment problems, and they might have trouble convincing a veteran to seek counseling when he reports that he is only interested in finding a job.

If an employment representative were located within the vet center, it seems more likely that some counseling might occur, while the veteran, simultaneously, received help in finding work.

Finally, the East San Jose Vet Center has been approached by several major corporations about the possibility of hiring Vietnam veterans. Although we have been quite interested in these possibilities, we, frankly, have not had enough staff to followup on the promising initial leads that we have received.

In closing, some summary statistics are presented comparing the East San Jose Vet Center to national vet center norms. These data are not current but may provide a representative sample.

[In percent]

Ethnic composition of veteran population seen	National	East San Jose Vet Center
White	50.7	47.2
Black	30.0	15.2
American Indian	1.1	0.0
Alaskan	0.1	0.0
Asian/Pacific Islands	0.5	0.0
Hispanic	8.6	27.4
Unknown	9.0	11.2

Veterans seen who have problems, East San Jose Vet Center

Problem category:	Percent
Marital	33
Legal	15
Vocational	32
Educational	10
Financial	12
VA (or other benefits)	35
Physical	12
Mental	25
Alcohol/drugs	34
Anxiety/fears	51
Bad dreams/flashbacks	36
Suicide/homicide	31
Agent orange	34
Interpersonal	58
Skill training	2
Discharge upgrade	5
Other	32

Dr. BROWN. This concludes my testimony, Mr. Chairman.

Mr. EDWARDS. Thank you, Dr. Brown. I believe before we ask any questions, we would like to hear from Mr. James Barker, who is the team leader at the West San Jose Vet Center.

STATEMENTS OF JAMES BARKER, TEAM LEADER, VET CENTER, ACCOMPANIED BY RAY MADRID, OUTREACH TEAM MEMBER; AND RAY VALLES, VIETNAM VETERAN

Mr. BARKER. To perhaps preface the statement of the experience of the West San Jose Vet Center, on behalf of the community of Vietnam veterans in this area and vet center staff, we would like again to state our thanks to the Chairman, Congressman Mineta, others concerned who are a large part of the impetus of what is currently operating as the vet center operation outreach program, and we thank you for your early groundwork efforts and sustained support of this unique service to Vietnam-era veterans.

Problems of securing or maintaining employment are cited by nearly 31 percent of the Vietnam-era veterans who come to the West San Jose Vet Center. In our nearly 2 years of experience, we have seen veterans for whom unemployment was a primary problem and those whose unemployment was a consequence of emotion-

al or behavioral problems. A primary focus of our center follows the program mandate to provide readjustment counseling. With this emphasis and modest staff size, we usually refer veterans who primarily need jobs to existing employment agencies. We also receive referrals from those sources for whom we provide rehabilitation counseling.

Vocational resources available through Palo Alto VA Medical Center include affiliated, nonprofit corporations which operate as rehabilitative workshops and currently employ about 40 Vietnam-era veterans.

All resources which further training and employment opportunities for Vietnam-era veterans help us in our purpose. The Veterans' Readjustment Appointment Act, which permits direct appointment to jobs in Federal agencies, and the Targeted Jobs Tax Credit Act, which provides employer incentives for hiring vets, are both examples of legislative resources we have found helpful in securing employment for our clients.

We have found that many veterans shy away from using these resources because of their aversion to anything governmental or bureaucratic. Part of our readjustment effort is often aimed at reducing this aversion. Where resources are time-limited, we often find ourselves racing the clock. Extension of benefits not previously used would be helpful, especially where failure to use them was the result of documented readjustment difficulties.

Mr. EDWARDS. Thank you, Mr. Barker. The statistics on page 2 of your written statement, without objection, will be made a part of the record.

[The material referred to follows:]

VIETNAM-ERA VETERANS OUTREACH PROGRAM

TEAM NO. 615

Below presented are summary statistics indicating problem areas reported by Vietnam Veterans as recorded by staff of the West San Jose Vet Center.

Veterans reporting problems, West San Jose Vet Center (total clients, 942)

Problem category:	Percentage ¹
Anxiety/fears	57.3
Nightmares/flashbacks	38.7
Interpersonal	33.6
VA (or other benefits)	30.4
Alcohol/drugs	28.4
Vocational	30.9
Marital	18.6
Mental (psychiatric)	15.0
Other	15.0
Suicide/homicide	14.2
Educational	13.4
Medical	9.9
Skill training	7.1
Agent orange	7.1
Legal	15.0
Financial	3.2
Discharge upgrade	1.9

¹ Percentage will total over 100 percent due to multiple problem reporting.

Mr. EDWARDS. Mr. Valles, it is a pleasure to have you here this morning.

Mr. Valles is a Vietnam veteran, and I understand comes from a family—of several Vietnam veterans. Could you tell the committee a little bit about yourself and about the experiences you have had since you came back from Vietnam, please?

Mr. VALLES. I got four brothers, and two of us are Vietnam era vets, both in Vietnam at the same time. And I also got two others, which one was in the Vietnam era but never in Nam. And my other brother is just a vet.

I was in Vietnam in 1970 and 1971 with the 173d Airborne Brigade. I was a paramedic, in which there was some different types of experiences.

But when I came home, as far as trying to get employment, the longest I held a job was basically 6 months. And at the time, I did not understand, which was like a delayed stress. And at this point, I realize what was happening.

And my work history is, you know, there are a lot of gaps in between where I got a job and could not stay there. And it all revolves around Vietnam.

Now, as far as the programs they have set up here, a lot of them are great. But they need some more counseling inside for the Vietnam vets. The vets, you know, just will not walk in and speak. They feel there is nothing wrong. But there is. And the ones that do have, they do not have an opportunity to—they do not have an access to jobs. You go in, and the access is very limited.

And I feel that, as far as the programs that they have now, they should be able to expand those things as far as workwise for the Vietnam vets and realize that there are different types of vets. And the Vietnam vets do have delayed stress and do not realize it. Somebody has got to point it out to them, because eventually they will end up getting hurt.

Basically, that is all I really got to say.

Mr. EDWARDS. Well, thank you. I yield to the gentleman from my adjoining district, Congressman Mineta.

Mr. MINETA. Thank you, Mr. Chairman. Mr. Valles, are you presently employed?

Mr. VALLES. No, sir.

Mr. MINETA. And you say since coming back the longest time you were able to hold a job was roughly 6 months?

Mr. VALLES. Yes, sir.

Mr. MINETA. And you feel the problem is the delayed stress factor?

Mr. VALLES. Yes, I sure do.

Mr. MINETA. And are you getting any kind of counseling or help relative to the delayed stress causing the—

Mr. VALLES. Yes. Just recently I started getting sort of like counseling from the GI Outreach program. It is a personal type of counseling which has helped me. Just recently I have started.

Mr. MINETA. And are you looking for employment as well, or are you hold that up until your counseling is completed?

Mr. VALLES. No, I am looking for work at the same time.

Mr. MINETA. And what about your brother, who also served in Vietnam, is he employed?

Mr. VALLES. No; he is not.

Mr. MINETA. Same problem?

Mr. VALLES. Same problem.

Mr. MINETA. And is he undergoing—

Mr. VALLES. The same type.

Mr. MINETA [continuing]. The same type of counseling as well?

Mr. VALLES. Yes, sir.

Mr. MINETA. As far as during the time you were employed, that was what kind of work, generally?

Mr. VALLES. I am a painter by profession. I am an apprentice electrician.

Mr. MINETA. And did you receive the training for either the painting or the electrician after you had left the service?

Mr. VALLES. Yes, sir.

Mr. MINETA. And was that under the VA educational benefits, or—

Mr. VALLES. The painter was, not the electrician.

Mr. MINETA. What are the prospects of your being able to find work either as a painter or as an electrician?

Mr. VALLES. Well, not very good, because there are a lot of vets out there. And you go in, and you apply, and you put down that you are a Vietnam vet, and they just kind of give you a second look, you know.

Mr. MINETA. What about the—as far as counseling is concerned, has there been—well, how long have you been undergoing counseling?

Mr. VALLES. Since July.

Mr. MINETA. Had you had counseling service in the past, prior to July?

Mr. VALLES. No, sir.

Mr. MINETA. Has there been any difference or any different counseling that you have been getting since July to this point?

Mr. VALLES. No. Just mostly through the VA Outreach program. That is about it.

Mr. MINETA. Can you go in to see a counselor, or—

Mr. VALLES. Yes. They got a work counselor there, and they got a few others. And they are more—they are real familiar with delayed stress, and they know how to cope with it and, at the same time, help me cope with it.

Mr. MINETA. And how often are you going in to see the counselor?

Mr. VALLES. About every other day or so.

Mr. MINETA. Doctor, let me ask: Has there been any kind of a staff cutback along these lines at all?

Mr. BROWN. A cutback in our staff?

Mr. MINETA. In, let us say, the counseling staff as it relates to the people who Mr. Valles is going to?

Mr. BROWN. I do not think there has been a cutback. In terms of trying to work with people at our vet center to help them get connected with resources for employment, I would say that we have never had anybody at our center, you know, whose function has been to do that. That has been one of the, I would say, shortcomings of our center. We just do not have the time or the resources to get involved with people at any depth over employment issues, at least in terms of connecting them up with—

Mr. MINETA. And yet you have had major industry coming to you and saying, "We are interested in working with you?"

Mr. BROWN. That is right.

Mr. MINETA. And yet you do not have anyone who you can spinoff to deal with that?

Mr. BROWN. At the moment, we have some employment notices tacked up on the bulletin board. We have one major corporation that I have told them that we are very interested in following up on the leads. But, frankly, we do not have the personnel to get involved with it at this point. We would like to follow it up, but we have just sort of tabled the whole notion at this point.

We have another one that has told us that they have jobs from time to time and that they are interested in hiring Vietnam veterans. And we put their notice up on our bulletin board. And by coincidence, I actually got a third one last night.

And, again, we are interested in what these people are talking about, and I think a lot of it comes from sort of an informal network of Vietnam veterans who are connected with our center. But our primary mandate is to do readjustment counseling. We are actually quite busy just doing that.

Mr. MINETA. You are still located at the same place as when Congressman Edwards and all of us came when you first opened up the Outreach centers?

Mr. BROWN. No. We moved. We are just a few doors down the street from that location.

Mr. MINETA. Thank you, Mr. Chairman.

Mr. EDWARDS. Thank you, Mr. Mineta. Mr. Valles, you said something to the effect that some employers do not like to hire Vietnam veterans. Is that correct?

Mr. VALLES. Yes, sir. That is very true. Myself and my brother, we got a lot of qualifications as far as training and types of work. We have gone in, and we were better qualified than some people who had gone in there. And mainly because we are Vietnam vets and plus, you know, our work history, we are more put down underneath the ladder. Let me put it that way.

Mr. EDWARDS. You say you are a painter by profession?

Mr. VALLES. A finisher-8 title.

Mr. EDWARDS. And are you a member of a union?

Mr. VALLES. I was in the union once, but not any more.

Mr. EDWARDS. But even going into a place that hires nonunion painters, you feel that once they see that you are a Vietnam vet they get a negative attitude toward you?

Mr. VALLES. Yes, sir. Not only that. It is basically the work history. You remember, earlier, I said that I do not stay too long in one certain job, and that was related to delayed stress. But now, as I am coping with it, that is my hangup. I go in there, and they look at that, and they say, "You are a vet," you know, and put 2 and 2 together.

Mr. EDWARDS. And your brother is having the same problem?

Mr. VALLES. The same problem.

Mr. EDWARDS. We thank you for your testimony, Mr. Valles. We appreciated the testimony of Dr. Brown and Mr. Barker. We have heard good things about your centers, and we want to come and visit you again. I am pretty sure that the legislation that passed

the House to extend the life of these centers will be approved in the Senate, although I might say that the Senate does not call up every morning and ask Norm Mineta and me what they should do. They should.

Mr. MINETA. They should.

Mr. EDWARDS. Now, either Dr. Brown or Mr. Barker, according to your testimony, from 30 to 32 percent of the veterans coming to your Outreach program have some form of employment problem. I understand the national average for all vet centers reporting employment inquiries runs approximately 50 percent. How do you account for the difference between your centers and the national figures?

Mr. BARKER. Yes, Mr. Chairman. Perhaps, in concert, we can respond to that. For one, again, I think particularly the identity and the service thrust of both vet centers has been seen as being very focused on the mandate of the program to provide readjustment counseling. Therefore, in terms of the background of our staff also, we have made a primary focus in that area, and perhaps other members of the veteran community, in terms of our identity, may feel that there are other services to contact.

Also, it seems we, certainly in our client load, have a number of veterans who have employment difficulty in terms of underemployment. And, actually, those are not perhaps really fully reflected in our statistics: families who are employed, however, are living more on a sustenance level.

We do feel in general, perhaps, that the economic climate of this county may be a little stronger than certain other areas as a factor. Perhaps Dr. Brown has—

Dr. BROWN. Well, I would just say too that I think our programs really—both of our centers have carved out the readjustment area, readjustment counseling as our primary focus. And we make it quite well known that we do not have the facilities or the capabilities or the staff to respond to employment needs. And, frankly, I know in my program we do keep a small file of job possibilities, but in a lot of respects, the reason we keep it is simply so that we can hook somebody in who comes in primarily presenting some employment difficulty, but we see other problems too.

So it is like we can seemingly respond, at least initially, to the employment need even though I think we know and they know quite well also that we do not have the capability to respond to that.

And I think if it is a pure employment problem, the Vietnam veteran community knows that we cannot help them with it, so they do not come to us. Whereas, they know that some other vet centers around the country are not like that. They have either a multiservice center concept, or they have some sort of employment capability attached to their vet center, or they focus more on job-related problems, which we are just not able to.

Mr. EDWARDS. Would not you think that, often, a job would improve the stress problem of the vet?

Dr. BROWN. Definitely. Yes. I think, too, that it is important to have some kind of coordinated approach, so that you do not send somebody out just to have a job and then fall back into the same problems that they had before, which I think is what Mr. Valles

here is talking about. So that, yes, you find them a job, and the job itself helps somebody's self esteem. But, at the same time, you do not set them up to run into more authority problems or impulse control problems, or whatever else it is that keeps them from continuing in a job. You want to be able to work at both things at the same time. Ideally, that would be what we would like to be able to do.

Mr. EDWARDS. In other words, you would like to have a two-tiered program, if you had the personnel——

Dr. BROWN. It would be very nice.

Mr. EDWARDS. So that you could also have another room where you helped them get jobs, as well as the counseling, right?

Dr. BROWN. The combination, right, of counseling and job possibilities. If it is a pure employment problem, if that is the way we assess the problem, as purely employment, then we would refer it out anyway. They can go to the EDD, or there are some other—the GI forum runs a job counseling program that is very effective, and we could refer them to those kinds of programs.

But if we saw it as a combination of psychological problem and unemployment problem, then it would be nice to handle that in-house.

Mr. EDWARDS. Mr. Ray Madrid, you are an outreach team member in East San Jose, right?

Mr. MADRID. On the west side.

Mr. EDWARDS. On the west side. What is the pattern of vets coming in? What do they tell you about their problems? How are they different from any other vet?

Mr. MADRID. Especially with the issue of unemployment and being able to maintain some type of employment are primarily the current indicators that I am using to see where that person is, as far as having delayed stress. And, again, that is one of the patterns: Six months holding a job and going on losing a job either because of problems with authorities or being unable to take the pressure any more, and then losing the job.

That primarily is what the issue with unemployment has created. Let me back up a little bit. The issues that we deal with with unemployment at our center are often referred out. The people that we're seeing, we like to do a one-to-one counseling on or get them into rap groups. That leaves us with very little time to do any kind of research for employment for the people.

Part of it is job development. Calling employers and asking them if they have an opening in this area for people. The readjustment counseling takes away from that. The opportunity to have somebody in there to be able to deal specifically with employment issues would be a great help to the vet center.

Having served as a DVOP with the State employment office, part of the mandate that we had as DVOPs was to do Outreach and contact employers and see what employers would be willing to hire Vietnam veterans.

The possibilities are tremendous for the vet centers if they would be allowed to tap into the resources that the State has, that the State has been mandated to service the Veterans' Administration as far as Outreach, providing Outreach, especially the DVOP, and using that, using the DVOP at our centers. To be able to do that

will fulfill one of the functions that we have and also fulfill the function that the State employment services have.

Mr. EDWARDS. Well, what percent of the veterans who come to your centers are disabled?

Mr. MADRID. Disabled?

Mr. EDWARDS. Yes.

Mr. MADRID. I would say at least 20 percent of the people that come in. Now, when you say "disabled," are you speaking physically disabled or psychologically disabled, because there has to be a—

Mr. EDWARDS. Well, do you consider veterans with delayed stress partially disabled?

Mr. MADRID. Certainly.

Mr. EDWARDS. I would think so. What are the symptoms of it?

Mr. MADRID. Of delayed stress?

Mr. EDWARDS. Yes.

Mr. MADRID. First of all, loss of job, anxiety, fits of anger, rage—and not directed at anyone in particular; just rage; or having a scapegoat is one thing. The problems of the employment, problems at home, personal problems, unable to communicate with the family, friends; anxiety attacks; and, primarily, the percentage of the people that we are seeing now are having a lot of domestic problems. That seems to be where the center of the difficulty is right now.

Mr. EDWARDS. Dr. Brown or Mr. Barker, is it your professional opinion that these particular stress problems are caused by Vietnam service? And what was it about service in Vietnam that made these veterans different from other veterans?

Mr. BARKER. Yes, Mr. Chairman, we feel that the ideology cause of many of the stress problems that veterans bring to our centers certainly have a basis in Vietnam. There certainly are other situations of Vietnam-era veterans that perhaps, as assessed, have just a little relationship to a period of military service. However, according to our general experience, it seems the more severe difficulties, almost unquestionably, relate to certain kinds of, be it traumatic experiences in Vietnam and also the second phase of the change in the readjustment and perhaps the indifference or absence of public support and understanding of that experience upon return, upon discharge.

There are many factors, it seems, that contributed to the stress state in Vietnam relating to, for one, many veterans being on the rotation schedule, which was a new way of handling a man's service in terms of going over alone, returning alone, the war becoming really a one-man battle and defense. Over time, the unclear objectives of the war, the sense of being limited, of not achieving a secure goal, of not seeing, in a sense, the light at the end of the tunnel; of fighting many times, or resisting in a guerrilla war an invisible enemy, an invisible front. And, again, over time, the sense of frustration on lack of achievement.

The growing sense also of, certainly, public unrest, of public lack of support contributed to some tremendous morale problems, as evidenced by use of substance abuse in Vietnam, the phenomenon of fragging, the killing of, the injuring of our own troops or officers there.

Some of those kind of factors contributed to what we now see as problems of stress and readjustment difficulties of veterans. Perhaps a sense of a trust betrayed that arose over time in the feelings of many veterans that they were sent to make the ultimate commitment as a charge of trust on behalf of their Nation, however felt that they faced great limitations and unquestionable support during the execution of that trust.

There seem to be many other factors though. However, those are some that seem to relate to the condition of a significant number of Vietnam veterans at this time.

Dr. BROWN. I would just add to what Jim is saying here that I think the average age in Vietnam was certainly a contributing factor. The average age of the combatants, I think, was 19.2 years of age, as opposed to, I think, 25 or 26 in World War II.

And, second, I think it might be important to note that I think the strategy of the Vietnam war was quite different from most other wars the United States has been involved in, where in other wars I think the strategy has been to acquire territory, to move forward in some fashion. In Vietnam, I think the strategy was to kill people, and the war, in fact, was waged in terms of body counts and the number of people who were killed.

And, in fact, I know the general operating rule over there was, "If it is dead and it is Vietnamese, then it is a VC," which, if you think about that, is quite a statement in itself. I also think a lot of women and children were involved in the war over there, too, probably to an unprecedented extent. And we see a lot of vets who have pretty intense feelings about some things that happened to women and children and have never had the opportunity to talk about it in the 10 or 15 years since the war.

With regard to your first question about did Vietnam cause these problems, it seems to me that, you know, you kind of have to look at a continuum. In some cases, yes; I think you could say yes, it did cause the problem. You have a pretty healthy individual from a solid background who now has a considerable number of problems. And there is some new research from the Sepulveda VA, and the team leader at, I believe, the Milwaukee Vet Center, has done some research to support the notion that even a pretty healthy personality can be overwhelmed by the kind of stress that many men had to undergo there.

In other cases, I think the combat situation exacerbated probably existing problems. And in some cases, there are people who would have had problems anyway, whether they went over there or not.

So it is hard to say. I do not think you can just make a sweeping statement and say, "Vietnam caused the problem," although, in some cases, I think—I firmly believe anyway that yes, that is exactly where the problem originated.

Mr. EDWARDS. Well, I think Norm Mineta and I would agree that that is the most eloquent explanation of why we are here. I think, really, that is the best I have ever heard.

Norm, do you have any more questions?

Mr. MINETA. Thank you. Dr. Brown, in looking at your testimony, I get the feeling that we are in a catch-22. The veteran is reluctant to come to the VA for help. On the other hand, the center is there for counseling capabilities, and we are not getting

the two together, as much as you may want to be out there doing an outreach program.

Do I sense that there is a reluctance on the part of the vet to come in?

Dr. BROWN. Come into the vet center or come into the VA?

Mr. MINETA. Well, both. Less reluctant to come into the center?

Dr. BROWN. Well, I think there is always a reluctance to come into any kind of counseling relationship. So there is a reluctance, probably, to come to the vet center, too. I am sure that is the case. And, in fact, initially, I think we have to spend time overcoming that sort of resistance both to just getting him into counseling and to come into any facility that has anything to do with the bureaucracy or the Government.

On the other hand, I think, by now we do have a pretty good reputation with Vietnam veterans. And I know a lot of the guys that come into our place—or I hope they do—they regard the center as their center. And we try to make them feel comfortable there.

Mr. MINETA. Your staff is how large?

Dr. BROWN. We have three counselors and an office manager. So there are four full-time employees. That is our total staff.

Mr. MINETA. Mr. Barker, at your center?

Mr. BARKER. That is the same.

Mr. MINETA. Is that the typical staff that you might find at a center?

Dr. BROWN. That is the standard, that center team, yes, sir.

Mr. MINETA. And will the 220 counselors that are being processed by the State, will they be coming into your centers as the employment counselor?

Dr. BROWN. My understanding is that 55 of those 220 are targeted to be out-stationed. And I think our hope would be that we might get one or two of them at each center. That would be great.

Mr. MINETA. Thank you, Mr. Chairman.

Mr. EDWARDS. I think your testimony is to the effect that while employment is very, very important, a lot of their unemployment problems diminish if the counseling is successful and if the problems are resolved first; the physical and mental problems are resolved first, then the employment problems and the family problems tend to dissipate. Is that correct?

Dr. BROWN. I think we are saying both, that both are needed. It is important that veterans have jobs. It is also important that they be able to get some kind of counseling. And for some veterans, simply having a job would be enough. For other veterans, they would need the job and the counseling. And then there might be some veterans, too, who just need the counseling.

Mr. MINETA. Could I ask about that other portion, then, about the VA hospital portion, the services being rendered by them? Are they adequate?

Dr. BROWN. You are talking about employment now?

Mr. MINETA. No; I'm sorry. In terms of the counseling that the clientele might get, where it might be more than what you might be able to provide in terms of counseling at the vet center, and you say, "Well, we had better refer you to the VA in Palo Alto."

Do you have that kind of backup resource available to you to refer the veteran up there?

Dr. BROWN. We certainly do.

Mr. MINETA. And is it professional, and is it good counseling? Is it working, or do you find inadequacies there?

Dr. BROWN. The Palo Alto VA, I think, is the only—or maybe one of two or three in the country that have a program that is specifically for Vietnam veterans. It is called the young vets program. It works quite well. We frequently refer people up there who are in more serious difficulty. We cannot provide sufficient services for them.

I think we have a pretty good relationship with the Palo Alto VA, and they have been quite supportive of our program.

There is initial resistance on the part of veterans to going up there. And, certainly, we do hear complaints. The fact that they feel that they were not treated right when they went up there. And what we try to do is, when we refer a veteran up there, we frequently go up there with them so that they can have a first-hand introduction to staff members that we know up there. And I think they feel a little bit more of a personalized service in that way.

But, in my own estimation, the VA does a pretty good job of providing psychological help. I do not know about the other. I do not really have much contact with the other services up there.

Mr. MINETA. Thank you.

Mr. EDWARDS. Mr. Frank Stover is deputy chief counsel for the House Veterans' Affairs Committee, and I yield to Mr. Stover.

Mr. STOVER. Thank you, Mr. Chairman. I just want to ask one question for the record. Congress, and this Veterans' Committee in particular, have been concerned that a lot of veterans have not used the GI bill. There is 65 percent who have, and 35 percent who have not. And of the 65 percent, about half of them have only used a part of the GI bill.

Do you have any idea, or could you make an estimate of how many that come to your centers have not used their GI bill benefits at all or who have used only a part of their GI bill? As a second part of that question, has the part of the GI bill they have used, been of any help to them, at least in the vocational area?

Dr. BROWN. What I am most familiar with is the veteran who comes to our center, and he has been out more than 10 years. His GI benefits have expired, and he would like to take advantage of either vocational or educational training, but he has already passed the delimiting date. That is what I am most familiar with. I do not know what your experience has been.

Mr. BARKER. To concur with Dr. Brown, this is very frequently our experience, that at this point where a veteran has begun to work on certain emotional issues and psychological fallout of the Vietnam experience, he is prepared and ready to make use of those benefits. However, in many instances, that delimiting date, that time has expired in which he is able to make use of those benefits.

It also seems that the experience recounted by some vets is that after leaving the service, there seems to be more or less a period of economic retrenchment where some of them went to use those

benefits, went to school just as a way to have an income for a brief period of time. However, they were unable to really devote themselves to that interest due to ongoing emotional and psychological difficulties.

At this point, we do see many veterans whose motivation is very high to make use of those benefits. However, again, their delimiting time has passed.

Mr. STOVER. The record should show, Mr. Chairman, that the subcommittee has developed and recommended legislation, and the full committee has recommended to the House, and the legislation has passed both the House and the Senate, to extend the GI bill 2 additional years, the delimiting date, for very limited purposes. For veterans with remaining GI bill entitlement, the legislation provides 2 more years beginning January 1, 1982, to take apprenticeship, on-the-job, high school, or vocational training. And as it was developed by the House, by this subcommittee, it was directed toward the veterans who would visit your vet center that have an employment-related problem. In other words, to give them another chance to use this benefit that they have not used for the number of reasons that you have explained here this morning.

So it is expected this bill, which is H.R. 3499, will pass the House and Senate. It is now pending in the Senate. It is expected that it will clear the Senate and the Congress in the near future.

Thank you very much.

Mr. EDWARDS. Thank you.

Mr. Richard Fuller is subcommittee counsel. And we welcome you, of course, Mr. Fuller. Do you have any questions?

Mr. FULLER. No; thank you, Mr. Chairman. Not at this time.

Mr. EDWARDS. I would like to identify somebody sitting behind me, too. This is Roberta Haeberle of San Jose, who works in my Washington office and is my legislative assistant, and spends a lot of time, sometimes all her time, on veterans affairs. I am very proud of the work that she does, I am glad to have her here, too.

If there are no other questions, then I would like to compliment the witnesses for their excellent testimony which is very helpful to the committee. Thank you very much.

Dr. BROWN. Thank you.

Mr. BARKER. Thank you.

Mr. EDWARDS. We welcome our next witness now, who is a friend of Norm's and a friend of mine, Mr. Abel Cota, who is director of the American GI Forum. We are glad to have you here. Welcome. And you may proceed.

STATEMENT OF ABEL COTA, EXECUTIVE DIRECTOR, AMERICAN GI FORUM OF SAN JOSE, COMMUNITY SERVICES

Mr. COTA. Committee members, it is a pleasure to see you again, Don and Norm.

I would like to preface my testimony, what I am going to testify on is basically our past experience, what we have observed and what we feel are some of the employment problems. My testimony is going to be based on, statistical data we have collected, and the responses we have gotten from veterans.

Our agency is in its 10th year of providing services to veterans, more specifically to Vietnam and Vietnam-era veterans. We have

four offices, located in San Jose, Fresno, east Los Angeles, and Colton, Calif. The office provides three primary services: Supportive, employment, and discharge upgrade.

Since their release from military service, countless veterans have pursued and reached a positive course in their attempt to make a successful transition from military to civilian life. However, successful transition has not been realized by many Vietnam veterans. Veterans employment is an issue that has a particular bearing on Vietnam veterans.

The war cost this Nation many casualties. Unfortunately, the majority of these casualties occurred here on our home front. Those casualties being economical, sociological, and psychological in nature.

Plagued by economic uncertainty, we find a primary concern of the Vietnam veteran is employment. The Vietnam veteran has an inexcusable high unemployment rate, when compared to the regular work force. The Department of Labor, Veterans' Employment Service, has concluded that Vietnam veterans have nearly twice the unemployment rate when compared to the nonveterans of similar age group. Minority veterans have 2½ times the unemployment rate.

As you can see, Vietnam and Vietnam-era veterans have an astounding employment problem.

Our program has experienced the following characteristics of veterans seeking services:

One, 65 percent of those seeking some service are minority.

Two, 85 percent of those seeking some service have a high school diploma, or less education; and

Three, 32 years is the median age of those seeking services.

These characteristics clearly indicate that the Vietnam veterans being served are primarily from economically disadvantaged backgrounds.

The following are some problems the veteran confronts in obtaining employment. What I did was, I sat down with my staff that provide the OJT and the employment services, and I said, "Look. I want you to get together and tell me the type of responses we get when we refer a veteran out to a job, when we ask them, 'What happened? How did your interview go?'" And these are some of the responses veterans brings back to us:

One, military service did not provide a vocation or training that is applicable to civilian occupations; artillery and infantry being the most common, particularly for minorities;

Two, most employers require job experience or education. Most veterans do not have either;

Three, alcohol and drug-related problems lower positive motivation toward responsible and stable employment;

Four, a substantial amount of veterans rely on public transportation. Some job sites are difficult to get to on public transportation; and

Five, low self-esteem, due to less than honorable discharges, public attitude toward the veteran, sociological and psychological readjustment problems, et cetera.

On the other hand, we have also asked some employers, why they are not hiring the veterans that we refer. And private indus-

try has some reasons. The following is an example of their responses.

One, no experience applicable to demand occupations;

Two, lack of concern with the veterans dilemma in securing employment;

Three, present job market has created keen competition, eliminating the nonskilled, nontrained veteran;

Four, preconceived notions that veterans are psychologically unbalanced or on drugs;

Five, previously incarcerated veterans dimly viewed as responsible employees; and

Six, lack of transportation or no driver's license is sometimes a deterrent to employment.

I think the most important factor that we must consider is that—and it is reality—the veterans who served during the Vietnam war were not afforded the same opportunity as those that did not serve in military service. Technology changed very rapidly, allowing those at home the opportunity to change with the technological advances, while the veterans returning from military service found themselves behind their nonveteran counterparts.

These are the veterans that we must seek out and offer as much opportunity and assistance as possible, to try to alleviate some of the problems that they are plagued with.

Although there is extensive language in the Comprehensive Employment and Training Act, CETA, very few prime sponsors follow the intent of the law. Section 676.30a specifically outlines appropriate steps to provide for the increased participation of special disabled and Vietnam-era veterans, with special emphasis on veterans who served in the Indo-China theater, through assuring adequate training and employment opportunities for such veterans.

In California, prime sponsors who specifically fund an organization to provide services to veterans, can be counted on one hand. Yet California has the largest veteran population in the United States, when compared to individual States.

According to the employment development department estimates, the number of "male vets in civilian life of 1979," there were approximately 167,400 veterans in Santa Clara County, excluding Sunnyvale. These estimates were based on veterans seeking employment and/or applying for unemployment insurance and VA benefits. This estimate does not include the many veterans that have dropped out of the labor market due to the redtape and bureaucratic steps involved.

According to the analysis of the veterans unemployed by prime sponsor, of October 1, 1977, by the employment development department in conjunction with the Department of Labor, Veterans' Employment Service, in Santa Clara County there were approximately 217,368 veterans. The Vietnam veteran population was 53,474, of which approximately 9.3 percent were unemployed. These statistics do not concur with the employment development department's estimates of 1979.

Whereas San Jose is the fastest growing city in the Nation, it can be concluded that the population has increased to approximately 250,000 total veteran populations in Santa Clara, of which ap-

proximately 62,500 are Vietnam veterans. And of those, 6,000, or 9.6 percent are still unemployed or underemployed.

Due to the recent cutbacks from the Reagan Administration, veterans' programs such as ours have laid off staff, curtailed services, or have been completely eliminated. For instance, our program has laid off a total of 13 staff members throughout the State of California. These staff members assisted in providing services such as job development, job placement, vocational counseling and referral, discharge upgrade, VA benefits counseling, and other much needed supportive services.

Although it is true that the VA is mandated under Title 38 of the United States Code to provide these services, we have found that there are many veterans who do not have access to a VA office or do not understand the VA procedure of obtaining assistance, or have had unsatisfactory experiences with the Veterans' Administration.

For these, and many other reasons, veterans programs are essential in the community.

In concluding, veterans have no one to turn to except their legislators, be it local, State, or Federal. We would hope that this subcommittee would very seriously consider the plight of the veteran and take steps to insure that our Government is doing as much as possible for the veteran and their dependents.

On that note, we of the San Jose GI Forum, offer for your consideration the following recommendations:

One, that the Congressional Representatives make a viable effort to restore the Federal funds previously earmarked for veterans programs in the Department of Labor, Veterans' Employment Services.

And, Don, you spoke a little bit about that. They have not appointed the assistant Secretary of Labor for Veterans' Employment Service. And I think that is one of the problems that they have right now.

Two, that the congressional Representatives restore CETA cutbacks for veterans services; and

Three, that the congressional Representatives insure no further cutbacks to veterans programs.

Thank you very much for allowing me to speak on behalf of the San Jose GI Forum. We look forward to working with this subcommittee and other interested parties in an effort to resolve the many problems that veterans are presently confronted with.

That concludes my testimony.

Mr. EDWARDS. Well, that is very good testimony, Abel.

Mr. Mineta?

Mr. MINETA. Thank you, Mr. Chairman. In looking at some testimony that we will be hearing from later on, Abel, the unemployment rate for Santa Clara County is shown as being 5.9 percent for the month, for the 12 months ending in August. And the Vietnam-era vets, the estimated unemployment rate for that same time period is 4.5 percent.

And so, in this instance, they are pointing out that though the Vietnam-era vets constitutes about a third of our veteran population, they have a relatively low rate of unemployment here in Santa Clara County.

Now, would that be the case in the minority community?

Mr. COTA. Well, before I answer that, let me tell you when we had a technical assistant contract with the Department of Labor under Dennis Wyant, they gathered all of us, from San Jose, Seavac, the northeastern States, St. Louis, and they took all these community programs that had been self-sufficient, and we all talked about minorities or the large metropolitan areas. I am talking about East Los Angeles, San Jose, Detroit, Philadelphia, Atlanta.

And even though EDD says that there is only 4.5 percent, we came to the conclusion that the only reason that EDD had a lower estimate is because they based their estimates on what the VA tells them, information that has been released in the area of how many applied for unemployment insurance or how many applied for jobs.

Now, all of us know that when it comes to minorities, there are a lot of them that have never been to EDD or have never been to the VA or have never approached the bureaucracy yet. So there is a monumental amount of veterans that EDD, under their estimates, never reach.

Therefore, we came to the conclusion that, no, 4.5 percent in Santa Clara is way off. It would be more like 9.3 percent right now. And that is based on the study we made of all of the nine programs in the United States that were providing consultant services to the VA Program, Department of Labor. And we came from different cities and different areas.

Mr. MINETA. You indicated you had to release a number of staff people in the four areas, I take it?

Mr. COTA. Yes.

Mr. MINETA. It is not just the San Jose—

Mr. COTA. No. It is in the four areas. We have a State contract right now with State CETA which provides us moneys for the Colton, East Los Angeles, Fresno areas, which have never had veterans services, and also partial for San Jose. What happened is that we had to take a 40 percent cut. We also took a cut in our Santa Clara County CETA contracts.

So what I had to do was to pick the best staff that I had and double their duties, and release the rest, in order to stay within the budget. And that is one of my concerns here: What is the new administration doing? I think that it is up to you or the congressional delegates that represent us over there to restore or, at least, to ask the President, "Do you know what you are doing?"

Because I will tell you one thing—and people very easily forget—that when the Vietnam war was here, and I got drafted, and everybody else that got drafted with me, they did not think about it. People got richer, industries made more money, and everybody was happy.

Now that it is all over, I tend to think that they just set us aside. And I hate to see in the future where it looks like there is going to be another war. I think you are going to have a hard time to get people to join the service. Definitely, because of this experience we are now faced with.

Mr. MINETA. I want to thank you very, very much.

Thank you, Mr. Chairman.

Mr. EDWARDS. We have got some programs that were enacted by Congress. Give me a short impression of how you feel each of them is working. The veterans' readjustment authority appointments program. It is supposed to place the educationally disadvantaged veterans in Federal employment. Is that program working?

Mr. COTA. The VRA?

Mr. EDWARDS. Yes.

Mr. COTA. This is the one where if they come out of the service, within 1 year after their separation, they can go on appointment at the VA hospital.

Mr. EDWARDS. Yes.

Mr. COTA. Well, I have not dealt with it for years. But when I was director of veterans' affairs for Foothill College, it worked very well. I used to refer a lot of veterans.

Since then, I have lost contact with it. So I could not answer that.

Mr. EDWARDS. But you like the idea of it?

Mr. COTA. Yes. I think it is good. The only thing is that—I hate to say this, and I hope I do not offend anybody—but when you send somebody to a Government agency, even though you got the VRA, they still do what I call "cleaning." In other words, if you send them somebody that really needs a job they pick somebody with more education, or whatever. And that is bad. That is the only thing wrong with it.

I do not think this program is looking at it from the economic point of view. "Maybe he can try" versus "Well, this guy is sharper," and all that.

Mr. EDWARDS. There is another program, the targeted jobs tax credit program. That is supposed to help encourage private employers to hire Vietnam veterans. There is a 1-year extension of this program, and we do not require any more that veterans must be under 35 years of age.

Have you used that in the GI forum?

Mr. COTA. Yes, we have. You know, under the local prime sponsor, we are also mandated to provide the TJTC, the certifications to the employer. We have had about 60 certifications this year. And we have had about, out of about 90 referrals that we have had for employment—I asked my staff, "What do you think about the TJTC, seriously? Is it working?"

What they told me is this: That it is working in a sense because it is an incentive for the employer to hire veterans. The only problem is this: That if we do not go out there—the GI forum—and push it on them, they do not care about it. In other words, they do not like paperwork.

That is why, I guess, it is working like for us, because we push ourselves on all the employers that we have contact with that hire veterans. In that sense, it works.

But if nobody was to approach it, suppose the GI Forum did not go out and push this issue, it is not going to work. I think that EDD pushes it quite a bit too. But the fact is that most employers do not want to deal with paperwork unless somebody completely does it for them and makes it very simple for them. That is our experience.

Mr. EDWARDS. Thank you. Now, the VA on-the-job training and apprenticeship training under the GI bill, which as we have mentioned before, has been given a 2-year extension. Have you used that?

Mr. COTA. We use it only occasionally, the apprenticeship program. I think the program is good. The problem the program has is the certification of the veteran. How many hours did he work for the reimbursement of the check?

And, again, and I am being very truthful with you, employers do not want additional paperwork. And that is the only problem with it. I think that as far as the benefits to the veteran, they are very good, even though they are on a sliding scale. But I think, again, we must look at the bureaucracy. Employers have other things to worry about than to worry about certification and sending cards, and this and that. And that is the truth. And that is what the employers tell us.

Mr. EDWARDS. What about the VA vocational rehabilitation program for service-connected disabled vets?

Mr. COTA. We have not worked that much with the VA rehab program. We worked a lot with the State rehab program. It is closer to us and it is more convenient. We have never broken into the VA on that portion yet.

Mr. EDWARDS. The last is the affirmative action program for veterans in employment in the private sector under Government contracts.

Mr. COTA. You know, that is one of the areas that really has not been touched. And I will tell you, I am very disappointed, especially in Santa Clara County, because we have Lockheed, FMC, General Electric. We have so many Federal contracts here in the Silicon Valley, and yet I do not see anybody enforcing affirmative action. For sure, the GI Forum cannot do it, because we have no authority. And I think that affirmative action is one of the weakest areas we have.

I feel, and a lot of veterans feel that we went out there, and we made them rich, while the war was going on. And yet when we come back, they will not even say, "Hey, OK, I will take 20, or take 30 and give them a chance." I think that is something this committee should look into. There is nobody that I know of. You have agencies that are supposed to do that, but that is a layer on top of a layer and another layer. And all they do is do spot checks.

I would feel that this committee would get a little more stringent on approaching especially employers that have billions of dollars of contracts with the Government, because that would help a lot. In some way, you cannot mandate an employer to hire somebody that does not fit into the category of hires. But what you can do, at least, is tell them, "Under next year's contract, we are going to review how many veterans you hired," or whatever. I think that is what is needed in industry.

Mr. EDWARDS. Well, that is a very helpful summary, is it not, Norm?

Mr. MINETA. It is.

Mr. EDWARDS. Mr. Stover?

Mr. STOVER. I just have one question, Mr. Chairman. On page 4 you indicate you have little success in obtaining assistance from

the Veterans' Administration, and you have no one to turn to but members of the legislature and Congress. As you undoubtedly know, the VA accredits or recognizes representatives of veterans' organizations like DAV, American Legion, who are stationed in San Francisco VA Regional Office.

Is your organization—do you have people there? Are you accredited by the VA?

Mr. COTA. Let me go back several years. In 1975, the National GI Forum made an attempt, I do not know if it was 1975 or 1974, Norm, but they made an attempt to get a congressional charter. Of course, our big brothers, the American Legion and the Veterans of Foreign Wars, argued the point because we allow 25 percent to be nonveteran in our membership that we are not totally a veterans' organization.

What happened, though, when Max Cleland came in is that they made a new administrative rule that stated that if a veterans' organization—(that was because Swords to Plowshares filed a lawsuit against them from San Francisco—was providing service to the veterans and had a track record, they could be recognized by the VA to represent veterans.

Because we are not yet chartered, we cannot have an office over there. The way we do it in order to speed up the paperwork and cut the bureaucracy at the VA for VA benefits or late checks or inquiries, is that we have been working closely with the Military Order of the Purple Heart [MOPH]. We send them the power of attorney, and they just go pull the file. That is why our turnaround time is within a week or 3 days. Constant phone calls and mailing.

You know, the saddest thing about a veteran is that if he loses a check, or somebody made a mistake and he did not get it, he, himself, goes to the VA, makes an inquiry. Sometimes it takes anywhere from 15 to 30 days before he even gets an answer.

And this is another problem we have found out, too. If veterans are employed, and they are having problems with their VA benefits, disability, or whatever, that is a deterrent to employment because then he is not functioning well. Or he does not go to work that day. Anything the veteran has got coming to him on the right hand has to go together with the left hand while he is working, otherwise this creates problems. The veteran has to eat.

And I think that is another thing we have to look at.

Mr. STOVER. Thank you very much.

Mr. EDWARDS. Mr. Fuller?

Mr. FULLER. No questions.

Mr. EDWARDS. Well, thank you very much. Your testimony has been very, very helpful.

Mr. Mario Chavez is the district administrator for the Santa Clara County Employment Development Department. Mr. Chavez, we welcome you. Will you introduce your colleague and proceed?

Mr. CHAVEZ. My colleague is none other than John Rooke, who is a disabled veteran from, DVOP, excuse me, from the Sunnyvale office.

Mr. EDWARDS. We are delighted to have you here.

Mr. CHAVEZ. He would also like to make some comments. I have prepared my own text, based on the official text that was given to you, so if you do not mind, if you have no objection, I would like to make my presentation. The information that we gave you is more complete though.

Mr. EDWARDS. Without objection, the information you have provided us will be made a part of the record, and you may proceed on your own at your own pace.

Mr. CHAVEZ. Thank you.

**STATEMENT OF MARIO CHAVEZ, DISTRICT ADMINISTRATOR
FOR SANTA CLARA COUNTY EMPLOYMENT DEVELOPMENT
DEPARTMENT, ACCOMPANIED BY JOHN ROOKE, DVOP,
SUNNYVALE OFFICE**

Mr. CHAVEZ. I am Mario Chavez, district administrator of the employment service and unemployment insurance offices in Santa Clara County for the California Employment Development Department. Today I will discuss the employment situation for veterans in Santa Clara County, employment opportunities in Santa Clara County, and our department's operations which aid veterans in taking advantage of the employment opportunities in this area.

Santa Clara County has acquired the nickname of "Silicon Valley," and is the headquarters for both semiconductor and computer manufacturing for the world. In a relatively short period of time, this high technology industry has transformed what was once a valley rich in agriculture into the ninth largest manufacturing center in the United States. The population in Santa Clara County is now more than double its size in 1960. This growth has provided tremendous opportunity in all sectors of the economy of Santa Clara County.

On September 30, 1977, the veteran population of California was estimated to be 3,315,000, bringing the California growth rate in veteran population to 9.5 percent. The U.S. veteran population growth rate for the same timespan was 5.9 percent. The California greater growth demonstrates the fact that the same enticements that draw most people to California also attract the veteran who may have been stationed here during his or her military career.

Santa Clara County has seen no exception to this growth pattern. In California, 19.5 percent of the population are veterans. In Santa Clara County, veterans make up 19.6 percent of the population.

And how do these veterans fare in the labor market in Santa Clara County? The average unemployment rate for Santa Clara County for the 12 months ending in August was estimated to be 5.9 percent. For Vietnam-era vets, the estimated unemployment rate for the same period is 4.5 percent.

And, incidentally, since this was brought up, and the statistics were disputed earlier, we do have a labor market analyst who may be able to clarify some of your concerns in this, if that is the case.

We find that the unemployment rate for Vietnam-era vets in Santa Clara County seems to be appreciably lower than the 5.8 percent rate for Vietnam-era vets statewide. In short, Santa Clara County is a microcosm of the State, with vets constituting the same proportion of the total population. But Vietnam-era vets appear to

have a significantly lower rate of unemployment in Santa Clara County than statewide, even though these veterans have experienced more difficulty in securing and holding employment since leaving the service.

As mentioned above, Santa Clara County has become a center for manufacturing, which accounts for 35 percent of the county's industry. Services make up 22 percent, and retail trade is 14 percent. Agriculture now accounts for only 1 percent of the county's industry. This strong growth in manufacturing has been in the electronic industry and the aerospace industry.

This growth has created a shortage of technically skilled workers. These major industrial sectors provide the opportunities which I will detail below.

The following is a partial listing of the major occupation categories in which there are excellent opportunities and demand is high. However, it must be reemphasized that most of these occupations require training and a formal education, at a minimum, for entry-level jobs and experience for most of the technical and professional positions.

By that, I mean professional and technical: engineers, electronic technicians, drafters, programmers. Medical, clerical, which includes secretary, data entry operators, clerk typists, and so forth. Sales, plus other skilled occupations such as machinist, machine operator, electronic inspectors, certified welders, and so forth.

There are some entry-level jobs in electronic assembly which require no experience or training, but the employment outlook in electronic assembly has changed in that more of these jobs require some prior training than in the past. Without prior training such as some CETA programs have offered, or an adult school or community college, competition for entry level jobs is high.

Auto mechanic and body repairer: The outlook is good for well qualified journeyman level mechanics and autobody repair workers.

Employment opportunities in Santa Clara County range from new high technology occupations to occupations in benchwork and the service industries.

One point stands out, however, and that is the requirement for skills and experience. In this sophisticated job market, the entry-level job seeker faces extremely stiff competition if he or she has no occupational training or prior applicable work experience. Employment opportunity abounds in the Santa Clara County, but the highest demand is clearly for skilled and experienced workers.

The most recent estimate of the veteran population in Santa Clara County is 185,630. The Vietnam-era population is estimated to be 57,000, or 31 percent of the total veteran population. Vietnam-era vets represent 4 percent of the population of Santa Clara County and slightly over 5 percent of the 67,000 new applicants registered last fiscal year with EDD offices in the county.

The barriers to employment for veterans in Santa Clara County: The most common barrier to employment in the Santa Clara Valley is a lack of the technical job skills required to meet the demands of the labor market. The recently discharged veteran often has no technical job skills training and lacks job experience that transfers to civilian employment. Other jobseekers, particular-

ly youth, have many of the same problems in securing employment.

Competition is extremely keen for the unskilled jobs, and the recently discharged veteran looking for this type of work competes with other new entrants to the labor market.

Transportation problems can be a barrier to employment in the Santa Clara Valley. Most residents live in the southern part of the county, and most industry is located in the northern part. Since to commute by public transportation is very difficult, lack of a car may be a barrier to employment for some jobseekers.

Another barrier to employment for veterans is an unstable background since discharge, characterized by frequent job changes or frequent changes in geographic locations. This jobseeker is at a disadvantage when competing with an individual who has an established work history in a specific occupation in the same timespan.

Less specific, but of the same type, is the barrier of unresolved psychological or emotional problems which render some veterans unable to participate in the labor market.

The employment development department has five employment service offices in the county. Each office has a veterans' employment representative and a disabled veterans Outreach program staff member. Due to Federal funding uncertainties, several DVOP staff have recently found other employment, but we will be filling those positions on November 1. This alludes to the 221 positions statewide. Several offices will have more than one DVOP staff assigned.

For your information, this county was assigned, if it was not changed, 12 DVOP positions out of the 221. Our policy is to provide a reportable service to every veteran who is registered with us. And the examples of these are referral to job openings, employment counseling, and so forth.

Over 2,300 veterans were placed in jobs in the same time period by our offices. Vets comprise approximately 20 percent of our male registrants, and veterans placed were 23 percent of all males placed. The number of Vietnam-era vets placed was 1,124, or 48 percent of all vets placed in jobs. In addition, 54 percent of the veterans went to work on a job that paid over \$5 an hour, while only 40 percent of all individuals placed, including veterans, show a beginning wage over \$5 an hour.

Statewide data shows that only 38 percent of the veterans placed are in jobs that pay over \$5 an hour.

The veterans' employment representative participated in Santa Clara County's Veterans' Employment Committee, along with representatives from veterans' organizations. Part of the veterans' employment staff is, as I mentioned, the DVOP staff. And rather than read this comment from this prepared text, I would like, at this time, to turn it over to Mr. John Rooke.

There are also two other DVOP's, formerly veterans of the Vietnam-era war themselves, who are also available, if time permits. [The prepared statement of Mr. Mario Chavez appears on p. 47.]

Mr. EDWARDS. Mr. Rooke, we welcome you.

STATEMENT OF JOHN ROOKE

Mr. ROOKE. As a DVOP, the problem I see of interviewing applicants of the Vietnam war is the fact that, and I would like to bring your attention back to page 7, is the fact that they have very little skills; and they have job hopped from one job to another. Hence, it makes it very difficult for the DVOP or any member of the EDD staff to place these people in meaningful employment.

Regarding the technical skills, there is no problem finding employment for these people. For the vast majority of the people that I see throughout the day, the fact is that they just do not have the skills.

The next question I am often asked, and other DVOP members are asked, is, "Are any training moneys available?" And at this present time, there are not any moneys available. They have extended their, or exhausted, their GI bill or have passed the 10-year delineation date. And, more often than not, the VA has emphasized a 4-year education, going for a BA or a BS degree. Most of the veterans that I have met do not want to get this type of degree. They want some type of skills training. And it is not being met and not being fulfilled.

The second part is CETA. A lot of the veterans do not meet the income criteria for CETA because they were over the economically disadvantaged state, which is something like \$1,700 a month for the past 6 months. A lot of veterans have picked up one job here, one job there, and they exceed the \$1,700 cutoff point for the economically disadvantaged, and they cannot enroll in CETA.

A problem that I would like to see addressed as far as Vietnam era veterans are concerned is the fact that we would like to see the 10-year date removed completely, and not just put a 2-year limit on it, because, mainly, the problem veteran for the Vietnam era has been between the years of 1967, 1968, and all the way up to 1970. They have passed those 2 years.

And I would like clarification on the fact: The 2-year extension, does that go for everybody, or does that go for just the people who are coming up to their 10-year delineation date?

Mr. EDWARDS. Mr. Stover?

Mr. STOVER. It includes everybody who has remaining entitlement.

Mr. ROOKE. Remaining entitlement. So a person who got out in 1967 can use—

Mr. STOVER. He will still have 2 more years.

Mr. ROOKE. Yes. Another problem, and it has been touched on by other testimony, is the affirmative action for Vietnam veterans. I have gone around to the employers and talked to them and asked them, pointblank, if they hold positions open for Vietnam veterans, Vietnam-era veterans. And the answer is, "No." They do not openly or actively seek Vietnam veterans to fill positions in training positions or any other positions.

As far as TJTC is concerned, again, they must meet the economically disadvantaged state. This is an incentive for employers to hire Vietnam veterans, but if they do not meet the economically disadvantaged, then they cannot be certified. Even though these people, or these veterans, are underemployed, underskilled, they cannot get a meaningful job.

We have concentrated a lot on Vietnam veterans and their training problems. But this could be a new phenomena that is coming up. And that is the recently separated veteran who is not a Vietnam-era veteran. Some of the veterans who are getting out have had no practical skills that relate to the civilian job market. They have not contributed to the VA program the \$2. For every \$1 they put in, they contribute \$2. They have not.

Hence, when they come out of the service, they have no training available for them. With the CETA cutbacks, with the budget cutbacks, they are being shut out of the market as well. So you—

Mr. EDWARDS. Well, when they recruit these people, they advertise that they are going to get training.

Mr. ROOKE. A lot of them do not understand, and a lot of them just do not want to get involved in it. They do not really understand. You have got to remember that some of the people that we are talking about are 18 years old, and they are making their first break away from their parents. And, hence, they really do not understand what the whole program is about. Hence, when it comes time for their separation, they have nothing.

Mr. EDWARDS. Would you mind remaining while we hear from the other two witnesses, and then we will question all four of you as a panel.

Mr. Ronald Miller is the State Director for Veterans' Employment, U.S. Department of Labor. Mr. Stover and I remember you with interest and appreciation, Mr. Miller, when you were with the Blinded Veterans of America in Washington and testified before our Veterans' Affairs Committee. So we are particularly glad to see you again.

STATEMENT OF RONALD L. MILLER, STATE DIRECTOR FOR VETERANS' EMPLOYMENT, U.S. DEPARTMENT OF LABOR, ACCOMPANIED BY EARL MARTIN, ASSISTANT TO THE STATE DIRECTOR, SAN JOSE-SANTA CLARA, AND CHARLES MARTINEZ, ASSISTANT STATE DIRECTOR, SACRAMENTO

Mr. MILLER. Thank you very much, Mr. Chairman, and Congressmen. It is a pleasure to be here in this capacity. I am pleased to have the opportunity to renew our acquaintance both with you and with Mr. Stover.

Before I address or briefly summarize my written testimony I would like to introduce Earl Martin, who is the assistant to the State Director for this specific area. He is assigned to the San Jose-Santa Clara area, and he will be here to answer any questions you may have.

Mr. EDWARDS. It is nice to have you here, Mr. Martin.

Mr. MILLER. And I also have the Assistant State Director with me from my office in Sacramento, Charles Martinez, who is in the audience this morning.

Also, before I go any further, I would like to say that within the Veterans' Employment Service in California we have, besides the State Director's Office in Sacramento, 13 assistants around the State, according to the formula, with two assistants in Sacramento covering northern California from Merced north, three assistants in the bay area covering the bay area and from Sonoma down to Monterey on the central coast, one assistant in Fresno covering the

Central Valley, six individuals in the Los Angeles, Riverside, San Bernardino, Orange County areas, and one in San Diego covering San Diego and Imperial County.

We have quite an extensive staff and, of course, VES is charged with monitoring and reviewing the services to veterans as they are in the State employment offices, and within the CETA prime sponsors and in any other areas.

I guess we have heard enough of the testimony this morning to get the lay of the land in terms of the unemployment of veterans and the overall employment situation. But within the State, I think the economy is mixed. It appears good in some places and, I would say, worse off in other places.

For example, in the northern part of the State, where we have many one-industry towns or areas such as lumbering, the economy is very, very bad. And some of the northern towns, like Chico and Oroville, are running over 10 percent unemployment. Other areas that are economically lower than others are those areas that have the auto plants and steel mills, et cetera. And, of course, we have the electronics industry, which has been doing well but I think also is showing evidence of slowing down.

But in California, of course, with 3½ million veterans and other eligible persons, and of that number 1 million Vietnam veterans, we at VES, as well as all of the individuals testifying here today, are very concerned about services to veterans and improving the employment situation for them.

We hope that the budget cuts that we have all seen and undergone in the last 6 or 7 months will not be to the extent that the services to veterans will be lessened.

I would like to note that the Employment Development Department, which is the State Employment Security Agency for California, because of the budget cuts was reorganized in the last year. And I must say, it moved rather decisively to bring its expenditures in line with the allocation it was going to receive. And in the reorganization, I think it will be equal to the task of maintaining the level of services.

I would say that California, as of the statistics up to August of the fiscal year 1981, is meeting the performance standards established by the Department of Labor, both in the floor levels as well as in the preference indicators. However, counseling, which is the one floor level that is not met, continues to be a problem and has been over the last 2 or 3 years.

In regard to the DVOP, the Disabled Vietnam Outreach Program, I have always been rather proud to be associated with this program and what was done by your committee in establishing this program since 1977. California led the way, I believe, in bringing DVOP's on board under the temporary program. I am sure that this is not much different from the other States, that California was somewhat less than enthusiastic about the permanent program, because it looked like the funds, the limited funds that were available, might have to be used to fund the DVOP's and it would require other permanent staff layoffs.

But once EDD began to realize that this was the intent of the law, they began to move very quickly. And we now are in the transition period for establishing a permanent DVOP. And we are

hoping that the results of the permanent program will be similar to what we had with the program when they were temporary employees.

We do have some problem areas within California. I think Mr. Cota noted a number of them. I think the representatives of the Veterans' Outreach Center noted the problems of meeting the employment needs of those individuals who were in counseling. I am looking at the standpoint at the State level of the registration policy within EDD in California.

I note, between the fiscal year 1980 and this fiscal year ending, there is an approximately 28 percent drop in veteran new applications, new and renewed applications, from 1980 to 1981. A significant drop. Overall, there was a total drop in the new and renewed applications of 25 percent for all applicants.

In trying to assess the problem, we have a varied interpretation and implementation of the registration policy within the State. And I know this subcommittee dealt with this a few years ago. It has changed somewhat, but we still have the problem of when an individual applicant, who is not readily placeable, enters an office and is asked to hold his application. He is requested to bring it with him upon his return, with the hope that a reportable service can be rendered to him at that time.

And we in VES would like to contend that the Federal regulations are still in effect, especially with veterans. All veterans are to be encouraged strongly to file complete applications.

Another area of concern is the veteran participation in CETA. I believe we have to admit that the veteran participation reached a high point at the time of the economic initiative of 35 percent goal for public service employment. In California, I am afraid to say, with the exception of a few prime sponsors, veterans are only incidentally in the programs because they are a minority or economically disadvantaged. And we, of course, would like to see some changes.

The older vets may need to be brought into this too, because we are having a growing problem with the older vets as much as we are in developing employment and training programs for the Vietnam veterans.

I will bring this particular part of it to a close, and Mr. Martin and I will gladly answer any questions you may have, Mr. Chairman.

[The prepared statement of Mr. Ronald L. Miller appears on p. 50.]

Mr. EDWARDS. Thank you, Mr. Miller. We will postpone the questions until we have heard from our remaining witness.

Mr. Henry Verner is district manager, Division of Veterans' Services, State of California, Department of Veterans' Affairs.

Mr. Verner, we welcome you. Without objection, all of these statements will be made a part of the record, and you may proceed.

STATEMENT OF HENRY J. VERNER, DISTRICT MANAGER, DIVISION OF VETERANS' SERVICES, DEPARTMENT OF VETERANS' AFFAIRS, STATE OF CALIFORNIA

Mr. VERNER. Thank you, Mr. Chairman and the other honorable members of the committee for being here today.

I would like to take just a brief moment to give a little background, since perhaps many of the individuals here do not know who I am other than they have just heard my name.

As the chairman indicated, my name is Henry Verner. I am a disabled Vietnam veteran and also retired from the Army in 1971. I have been working with veterans ever since that time. I worked with the Disabled American Veterans, the Veterans' Administration, director of Sonoma County Veterans' Service, and also now with the State.

I will keep my remarks rather brief since I was not prepared to give a statement today. We will be sending a position paper at a later date.¹

As you are aware, I am with the Department of Veterans' Affairs. And we, the Department of California, support the position of all the other organizations here today. We feel that there is a real problem amongst Vietnam veterans in the area of employment. In fact, we feel so strongly about this problem that we, recently, have gotten involved to a significant degree in the employment aspect.

One project that is coming up very shortly is being sponsored by the KFRC Vietnam Veterans' project, and, of course, many members of the Department are involved in this project. We will be holding a job fair in the area of San Francisco.

I would like to read from the letter that we sent out to the bay area employers, covering roughly a 50-mile radius, two paragraphs that we included in the letter:

We expect thousands of veterans to attend. Your representative will have an opportunity to interview and examine an excellent labor force and consider them for current or future employment opportunities in your organization.

There are approximately 250,000 Vietnam-era veterans in the Bay Area alone. You will be of substantial benefit to our veterans and to our community by demonstrating your concern for their needs for employment information and guidance.

During the time of their service, the veterans were separated from the civilian job market, and for many, the reentry has been slow and very difficult. There are many well-trained, highly disciplined and highly motivated people in the community, and the fair will provide a relatively easy access to them.

We expect the fair to be highly successful because of the conscious effort of your people who will be in attendance. We also expect that you will find that there will be a valuable resource to tap in future consideration.

This letter went out to approximately 6,000 employers throughout the bay area. I would not like to tell you about the response, because the response has not been very good. However, we have a great number of major employers who have considered and will be taking part. And we are, at this time, on the phone in San Francisco calling many of those whom we directed letters to, asking them if they intend to take part in this event.

That about brings to a close my comments. As I indicated, the Department is very concerned about employment. We do not have an active employment counseling program, but we do try and refer people to the other agencies that are presented here today. And we feel that they are doing an excellent job at the bottom line. We need more resources to continue to do an even better job.

Thank you.

Mr. EDWARDS. Thank you, Mr. Verner.

Mr. MINETA?

¹ Not received at time of publication.

Mr. MINETA. Thank you, Mr. Chairman. In Dr. Brown's testimony we heard that there are approximately 220 new counselors that the State of California is in the process of hiring. Mr. Chavez, is it anticipated that these will be—you indicated that there will be 12 DVOP positions here in Santa Clara County. Are you planning to have these personnel outposted, as far as the possibility of these two vet centers being considered for that outposting?

Mr. CHAVEZ. Let me clarify one thing first, or try to clarify it. They are not counselors in the traditional sense of being counselors. They are outreach personnel who do placement; they do recruitment; they do telephoning; they do job selling over the telephone to employers on behalf of veterans.

We have a special classification in our Department, employment counselors, who do counseling. So I want to make that clear.

Now, this is not—

Mr. MINETA. Maybe you could make that distinction again for me.

Mr. CHAVEZ. We have employment counselors in each of our offices, or most of our offices. It is a civil service classification in itself. And their job is totally to do counseling for everyone, including veterans. Now, when the DVOP has a person that they feel needs counseling, they would refer this person to an employment counselor. These employment counselors are not part of these 221 positions. These are DVOP positions.

It is a term that has been used interchangeably, I guess, by many people, this "counselor." But they are not counselors. It does not preclude them, however, from giving advice to Vietnam-era veterans who come to them regarding what they know of the labor market. But I did want to make that distinction. These 221 are not counselors. They do job placement primarily; they do outreach services.

In terms of your question, no, it is not at this point our intention to outstation these outreach workers. They have been, most of the people in these particular jobs have been people who have been working with us already for the last 1, 2, 3 years. And they have been stationed in our offices.

However, that does not preclude, again, their going to these different, and I am sure it has occurred already, to these different other organizations that provide services to veterans and jointly serve our mutual clientele, namely the veterans.

Mr. MINETA. Well, maybe I need some clarification from staff. I thought, when we went from 1,500 to 2,000, that the purpose of that was, first of all, that they were counselors, that they were for employment-related problems that veterans have, and that the most effective utilization would be through outposting. Maybe that is not correct. I do not know. That is my impression when we took up this provision of law.

Mr. Fuller or Mr. Stover, if you could help me out on that?

Mr. STOVER. Yes; it was the intention of the Congress, Mr. Mineta, that the number of 2,000 DVOP, we call them specialists, that 500 of them would be outplaced, as you have indicated, in places other than the Department of Labor job centers, job assistance centers, or public employment offices.

Now, this would be a determination to be made in the several States because, as you know, they are funded by grants to the States, and they are under the jurisdiction of EDD here in the State of California. And it certainly will be something that I am sure our subcommittee will follow very closely, because the subcommittee believes that this is very important, as you have indicated.

Mr. MINETA. Thank you. Mr. Chavez, in view of the budget cuts and the changing economic climate here in Santa Clara County, how do you think employment opportunities and the ability of EDD and other programs to assist in employment will be affected?

Mr. CHAVEZ. Well, it was stated earlier by our distinguished guest from the Department of Labor that we do not feel that, because of the budget cuts, it will materially affect the employment prospects of veterans in terms of the services that we provide. Because, in effect, what is occurring is that positions that were allocated on a temporary basis before these DVOP positions are going to become permanent. So these are positions that, heretofore, were what we call, well, I should not say that. But they were positions that were not funded on a permanent basis. So, therefore, we did not know when we were going to lose these resources to serve veterans.

But now that they have become permanent, I think this reinforces our role in providing services to veterans. I do not see it decreases it at all. The idea that they are permanent means quite a bit, I think, in terms of the management of resources. So I do not see that that would hurt.

Briefly, I do not think that the overall budget cuts will affect this particular service.

Mr. MINETA. In your dealing with employers, do you counsel them on the advantages of the TJTC's?

Mr. CHAVEZ. Yes.

Mr. MINETA. What kind of response do you find?

Mr. CHAVEZ. The response, I do not know if I can answer your question directly. Can I start with the experience that we have generally?

Mr. MINETA. Surely.

Mr. CHAVEZ. The experience that we have had generally, in terms of TJTC, has been that employers are retroactively using that program. That is, they will use it to include employees who are there—

Mr. MINETA. Already on?

Mr. CHAVEZ. Yes. OK. And I would say, I do not have the statistics here, but I would say that a large portion of the vouching that we do is for that reason. That is, not for entry level jobs, for newly, for new employees, but on a retroactive basis. The response—

Mr. MINETA. How far can they go back on that retroactive basis?

Mr. CHAVEZ. They could go back, formerly, about 18 months. The recent law changes that, where they have to, we have to certify prior to employment. We do not have that problem that we had in the past with this retroactive thing. And I think this would also enhance our position in selling TJTC's, in the fact they will only be

able to attain this through hiring this person that we refer prior to employment.

Mr. MINETA. Is there a lot of paperwork involved in a TJTC?

Mr. CHAVEZ. For us or for the employer?

Mr. MINETA. For the employer.

Mr. CHAVEZ. It is minimal, there is some paperwork; yes. But from our perspective, it is minimal, because my understanding of it, I do not use the form myself, but they were made very practical. That is, I think it was only one page.

Mr. MINETA. Well, I got the impression from listening from Mr. Cota that maybe sometimes employers were a little reluctant to do this, and then he would go ahead and complete the top form and the bottom form, and then they would sign it, I guess, on a qualified employee.

Do you find this to be a problem?

Mr. CHAVEZ. Yes; I think the problem that he stated is correct. Employers, despite what we tell them in terms of the brevity of the form, they are still very reluctant, because they feel that they are opening the door to further evaluations or reviews by a Government agency, in terms of their internal business. And despite the brevity of the form, I think there is still that concern or reluctance to get involved with what they call filling out forms.

Mr. MINETA. And either by the Department of Labor or the Veterans' Administration, is there an audit or followthrough on the accuracy of those forms?

Mr. CHAVEZ. On the accuracy? I am sorry.

Mr. MINETA. Yes; in other words, does the Department of Labor or the VA, whoever has the responsibility, or the Treasury come through and audit in terms of those TJTC's?

Mr. CHAVEZ. I am sorry. I cannot respond to that. I do not know. I know that they are used by the employer for the Internal Revenue Service, and if they are audited, it would occur at that point. But these other two agencies that you mentioned, I do not know.

Mr. MINETA. Fine. Thank you very, very much. Thank you, Mr. Chairman.

Oh, Mr. Chairman, excuse me.

Mr. EDWARDS. Yes; go ahead.

Mr. MINETA. I am sorry. Dr. Miller, I am wondering: On page 3, you said,

In a tightening fiscal framework, local CETA prime sponsors are moving away from specially targeted programs toward consolidation in order to conserve resources.

Could you give me some examples of those, please?

Mr. MILLER. May I make an admission here, sir? That is part of the testimony that was written for me by Washington. And I will leave it at that.

Mr. MINETA. How much more of your own statement was edited out by OMB prior to submission today, Mr. Miller?

Mr. MILLER. Not very much.

Mr. MINETA. You do not happen to have an unexpurgated copy of your testimony, do you?

Mr. MILLER. Not with me, no. It is back in the office.

Mr. MINETA. Thank you very, very much, Mr. Miller, for your very, very fine work. I know your reputation, despite the redlining

by OMB in terms of your testimony, your reputation is outstanding.

Mr. MILLER. Thank you. I would like to address myself to one comment about the DVOP and the outstationing, if I may, Mr. Chairman?

Mr. EDWARDS. Please.

Mr. MILLER. I am at present, as the State director for veterans' employment in California, negotiating with the employment development department leadership in the establishment of the outstationing of the 25 percent of the DVOP's. Now, we have a certain reluctance, both I'm certain by California as well as by many States, in outstationing a full 25 percent of the positions, full-time. And I am sure you can see, in California's instance, they are talking about 55 of the 221 positions to be fully outstationed, especially when the emphasis continues to be on placement productivity.

In other words, they are concerned, I think, about outstations that may not result in an increasing placement productivity. They may be, the DVOP's may be giving a lot of services, but it may not relate to the placement productivity. Of course, you know it becomes a numbers game.

However, we are in the midst of negotiating exactly where these outstations will be. I cannot say right at the moment whether every outreach center in California will get a full-time DVOP. It may be that they may be rotated on a percentage of time. But they certainly, I am certain, will be available to the outreach centers for employment referral and any other reportable service that they can give.

Mr. MINETA. Now, the law says that no less than 25 percent shall be outposted?

Mr. MILLER. Yes.

Mr. MINETA. Here 55 out of 221 is right at that mark.

Mr. MILLER. Yes.

Mr. MINETA. In fact, I think even if you were to mathematically do it, it may be even 24.92.

Mr. MILLER. I do not have my talking calculator with me, so I cannot tell.

Mr. MINETA. Is there a turf problem here between the employment service and the veterans' department?

Mr. MILLER. You mean between VES and—

Mr. MINETA. No; between the State Department of Veterans' Affairs and the EDD of the State of California, as far as trying to work out where the new counselors go, the scope of their employment, job responsibilities? Is there a memorandum of understanding between EDD and DVA on these 221 new counselors coming on board?

Mr. MARTIN. DVA is not involved in it.

Mr. MINETA. Not involved?

Mr. MARTIN. No.

Mr. MILLER. This would be between us, VES—

Mr. MARTIN. The VA and the Department of Labor.

Mr. MINETA. And the U.S. Department of Labor?

Mr. MILLER. Yes.

Mr. MINETA. OK.

Mr. MILLER. Labor, VA, and the Employment Department. I do not think there is a problem. It is a matter of, we are in the process of developing a memorandum of understanding. I think it is a matter of completing negotiations. The DVOP's will begin being transitioned on board November 2 for the initial number. As they come on board, I am sure that, by the end of the month, we will have developed, or EDD will have developed, with our concurrence, the outstationing of the positions.

Mr. MINETA. Mr. Verner, did you have a comment?

Mr. VERNER. No; I was going to make the same comment Mr. Martin made. There is no conflict there at all.

Mr. MINETA. Thank you very much, Mr. Chairman.

Mr. EDWARDS. I think it was a very important issue that the questioning concerned. Do you think that we resolved that? Do we know if the hiring is being done, and whether some of them going to be in these vet centers.

Mr. STOVER. Well, it is still being resolved, Mr. Chairman. The committee will be watching that very carefully, because it—

Mr. EDWARDS. What is the congressional intent on the subject of outposting?

Mr. STOVER. The Congress, to reinforce what Mr. Mineta was saying, the actual statute says, "Not more than three-fourths of the disabled veterans' outreach program specialists in each State shall be stationed at a local employment service office in such State. Specialists not so stationed," meaning the 25 percent, "shall be stationed at centers established by the Veterans' Administration to provide a program of readjustment counseling, pursuant to section 12A of this title. Such veterans' assistance officers established by the Veterans' Administration and other sites as to be determined as appropriate, in accordance with the Department of Labor and the Veterans' Administration."

So the statute is very clear that the Congress wants DVOP specialists stationed in local readjustment counseling centers.

Mr. EDWARDS. Have any of them been so stationed?

Mr. MILLER. Not yet, to my knowledge.

Mr. EDWARDS. Not yet?

Mr. MILLER. Because we have not brought on, for permanent program, all of the DVOP's. That will begin on November 2, as I said. I am assuming, at that time, that we will have the consideration completed for the various outstationings. It takes a while to bring on a number of individuals like this all at one time, the 220. It is difficult. I have a stack of memos from the VES field staff, of numerous outstation sites. Those all have to be considered for the number of veterans in the area, the availability of sites, of space, and whether they really will be performing sufficient services in that particular outstation to warrant their being stationed there.

And funding too. You know, there is a problem about the nonpersonal service funding, just how much is there to provide the space, to rent the space, and so on.

I think California will be very equitable about its outstationing. I am certain, in the conversations I have had with EDD leadership, including the director, Douglas Bettino, and his staff, that we will abide by Public Law 96-466, and the outstationing will be consistent with it.

Mr. EDWARDS. Thank you. This question, I think, could go either to you, Mr. Miller, or to Mr. Chavez. When Congress authorized DVOP as a permanent program, it indicated its intent that the personnel consist to a great extent of disabled or Vietnam-era veterans.

Can you tell us how many DVOP's in California are Vietnam-era veterans and how many are disabled veterans?

Mr. MILLER. The statistic that I have for the end of August, how this is relating to the temporary DVOP program. At the end of August, there were 107 DVOP's on board; 104 of them were disabled Vietnam vets. All 107 were Vietnam veterans.

Mr. EDWARDS. Thank you.

Mr. MILLER. And we have to understand that there has been a winddown of the program, and as DVOP's left for other employment unsubsidized, either public or private employment, these vacancies were not filled because of the winddown of the temporary program. So we have gone from over 180 of October 1 of 1980, down to, we were probably down by the end of September, down to 100 or so.

Mr. EDWARDS. Thank you. How about Santa Clara County?

Mr. CHAVEZ. We do not have a real fix on the number of disabled veterans. Perhaps, John, do you know?

Mr. ROOKE. All of us in Santa Clara are disabled Vietnam-era veterans.

Mr. EDWARDS. Mr. Stover?

Mr. STOVER. Yes, Mr. Chairman. I have one question for Mr. Rooke. You mentioned extending the delimiting date for entitlement to the GI bill. Of course, there is also a program, chapter 31, vocational rehabilitation for the service-connected disabled veteran who has an employment handicap.

Mr. ROOKE. Yes.

Mr. STOVER. Now, in your experience, do you run into many service-connected disabled veterans who have not used their vocational rehabilitation assistance? There is a 12-year time limit, but for a seriously disabled veteran, there is no time limit. How many veterans do you run into that have not utilized their vocational rehabilitation benefits? By the way, the VA pays tuition, books, fees, anything that is necessary to get this person rehabilitated from an employment standpoint?

Mr. ROOKE. Most of the Vietnam veterans, who are over 30 percent, have used the vocational rehabilitation. Now, whether they have completed it, I do not know. But I do know, again, it gets back to what you said earlier about the 65 percent of the Vietnam era veterans have used the GI bill or the vocational rehabilitation, but a lesser amount have completed, actually completed it.

And I believe it is because of the misdirection of the program. The majority of the veterans that I have seen have used either the vocational rehabilitation or the GI bill.

Mr. STOVER. In other words, there are veterans who have taken vocational rehabilitation to the end of the program, who are still unemployed?

Mr. ROOKE. Yes, sir.

Mr. STOVER. The Congress, as you know, has changed the law in that regard and has put a burden or an obligation on the part of

the Veterans' Administration to take that person through to the very end until they are actually in a position where they are employed and the employer is satisfied that that person is the person they want.

Mr. ROOKE. Well, I can speak personally, because I went through college on that program, and I thought it was a very good program for myself. Again, it comes back to the misdirection of the Veterans' Administration on placing an emphasis on a 4-year institution as opposed to actual skills training. And a lot of veterans of the Vietnam era only wanted to go to school so that they could get the GI bill and not actually get a degree.

Which is not to say that if there was other training available, skills training, machinist, not all electronics; not everybody wants to be an electronic technician. I am talking about skills training, automotive mechanics and that type of thing.

If there was more emphasis placed on skills training within employers, who are very ignorant and ignorant of the opportunities for VA OJT, and so are the veterans themselves, that we might have a better outlook for employment for Vietnam-era veterans.

Mr. VERNER. Mr. Chairman, I would also like to address that question. You have before you two disabled veterans who have taken advantage of chapter 31. I, too, took advantage of that particular bill many years ago.

I think the general consensus would be that the misdirection is quite correct, because many veterans come in, and they have no idea of what they want to do, or they are pushed into the direction of a 4-year, institutionalized situation, which is not to their benefit in many cases.

And in most cases that I have run into, and I have run into quite a few, because that is what we do, represent disabled veterans, is that they would be much better off in perhaps a vocational-type training situation, or something that they can put their hands on rather than put their mind into.

Mr. STOVER. Is it a fair conclusion or assessment that part of the unemployment problem of disabled veterans is that they have been given a vocational objective which really did not fit their objective.

Mr. VERNER. Well, I will not put the blame totally on the VA. What I am saying is that the veteran himself has to share part of the blame also, because if you walk into a situation, and you say, "I want to become an ophthalmologist," when, in fact, perhaps you should become a mechanical engineer, and if you are very adamant about that, then sometimes the system will say, "OK, try." And oftentimes, the individual never completes that objective.

Mr. STOVER. Thank you, Mr. Chairman. I have one other question which I guess is for Mr. Chavez.

Mr. Miller alluded to this, what we call ESARS, the employment service automated reporting system, which I am sure you are acquainted with. There was some criticism at a previous hearing of the way these statistics, these reportable services which are reported through this system, do not accurately reflect all of the veterans who seek services.

If you are acquainted with that issue, how is your Department responding?

Mr. CHAVEZ. I am not really acquainted with the issue. I am acquainted with the issue of ESARS. The problems that have come to my attention have been the programing problems, the computer problems, where the input is there but for whatever reasons, I am not a wizard at computing, there have been certain malfunctions of computers, and so forth.

Perhaps Mr. Miller could address that question better than I can. I am not aware of any particular issue relating to veterans, that is.

Mr. STOVER. Well, the issue, as I understood, is that it did not reflect the number of veterans who are applying for services. In other words, ESARS has only reported veterans who are actually referred, I believe.

Is that right, Mr. Miller?

Mr. MILLER. Well, I think what you are referring to is the new and renewed applications which is when an individual, including a veteran, comes into a local office, a local employment office, and files an application or is given some reportable service such as a referral to a job or counseling or some other supportable service. And then that service is written up and put into the system.

I think we are referring here to the problem of actually dealing with the individual in the office, but without putting what is being done or putting him in if there is nothing being done, putting his application or the characteristics into the system.

It is a problem, and I can understand it from the standpoint of the numbers of individuals who are extremely difficult to place, that have no skills, if the availability of training is not there, et cetera. Within a particular local office there may be a tendency to encourage the individual to come back at another time or something if they feel nothing can be done for him and not to put that into the system.

I do not think this is wholesale. But I think it is a problem, especially when it comes down to the services rendered to the veterans. According to the 20 CFR-653 section of the regulations, all veterans are to be encouraged to file complete applications, whether they are readily placeable or not. And I think we have to stand by that.

Mr. STOVER. Thank you. Thank you very much, Mr. Chairman.

Mr. EDWARDS. Mr. Fuller?

Mr. FULLER. Thank you, Mr. Chairman. I have two quick questions.

Earlier this year, under the Omnibus Budget Act, the Congress accepted the President's recommendation to terminate completely the unemployment compensation program for newly discharged veterans. The termination of that program, as you all probably know, was made retroactive until July 1.

Could I get a comment from either Mr. Chavez or Mr. Miller on what the impact of that determination has been in Santa Clara County and in the State, nationwide, and if there are certain State programs which can help pick up the slack along those lines?

Mr. MILLER. Yes. Beginning shortly after July 1, I began getting calls in the office. I am certain Mr. Martin and a number of the other VES field staff did also. You know, "What has happened? I just got out of the military. Suddenly I get out, and I find that one

of the benefits until I get my feet on the ground, I thought I could go and get my unemployment?"

And we have to tell them, "No, that is not the case." And I am sure every local job service office and unemployment office and the EDD central office in Sacramento, as well as mine, and everyone has been getting these kinds of calls.

And the general comment is: "You mean that after 4 years of honorable service I get out, and I choose to leave, and I cannot collect unemployment? But an individual that the Armed Service does not want, for one reason or another, who does not have a dishonorable discharge but is not voluntarily leaving, he can collect unemployment?" And it has been my understanding that that is the case.

I do not know how it is going to affect the total number in California, but it is certainly a very disheartening situation for the individual leaving the military, without the benefit of the unemployment for a period.

Mr. FULLER. Thank you. I noticed that Mr. Chavez, in his statement, on page 7, makes the comment, "Competition is extremely keen for the unskilled jobs. And the recently discharged veteran looking for this type of work competes with other new entrants to the labor market."

And I wanted to let you know that legislation has been introduced in the Congress to reinstate that program.

Mr. CHAVEZ. Yes, I was going to comment on that. We have just recently received a memo to that effect, that the offices that have denied benefits to veterans who have been honorably discharged are to identify those claims because of this pending legislation. So that, apparently, there is a possibility that if this passes, then we could go retroactively and pay these people.

Mr. FULLER. Thank you. My second question is that next Wednesday, on October 14, the subcommittee is going to be holding hearings to assess the performance of the U.S. Postal Service in hiring Vietnam-era veterans and especially disabled veterans. And I was wondering if, in preparation for this hearing next Wednesday, if any of you had any specific comments about the role of the U.S. Postal Service?

Mr. EDWARDS. If the gentleman will yield, and before you answer that, I would like to take note that our host is here, the superintendent of the school district, Mr. Frank Fiscalini. He's been a good friend of Norm's and mine for many years.

Frank, we are so pleased with the facilities you have offered us and your kind hospitality. We are delighted to be here. Thank you very much.

Mr. FISCALINI. Thank you, Congressman. And we are honored. You have really graced us with your presence. And we want you to know that the facility is available any time you like. And thank you for coming.

Mr. EDWARDS. Well, thank you. It is a better pad than we are used to.

Mr. FULLER. Do any of you gentlemen have any comments about the U.S. Postal Service and what has been their track record here, either in Santa Clara County or in the State of California?

Mr. MARTIN. There are many complaints from veterans who apply for jobs with the Postal Service. I know that they fall within the provisions of the civil service, the Office of Personnel Management. And apparently, their complaints cannot get to the proper people. The redress to complaints are not satisfactory. Even though they are under the civil service laws, apparently there are many problems with disabled veterans working in the system where they do not make proper accommodation for them and are released, based on their inability to do the job.

Certainly, something needs to be done. I know Ron Drach, from the DAV, is incensed with the treatment that the Vietnam-era veteran and disabled veteran receive from the Postal Service.

Whether it is a quasi-Government agency now, no one really seems to know. There is a problem. It is a problem area.

Mr. ROOKE. I would like to make a comment on that. I have had dealings with three Vietnam veterans, disabled veterans who have either applied for jobs at the post office. One was denied, and one was employed by the post office for a year. After, he began, his disability started to aggravate him. They would not transfer him within the post office itself, so he was fired.

Another person had a disability which was not aggravated, and it has been documented by the VA that the job would not aggravate his disability. He did not make the probation period.

It seems that there is an effort by the post office not to hire disabled veterans, Vietnam-era or what.

Mr. VERNER. Having been in the field of veterans' affairs since my discharge in 1971, I have run into numbers, being a past employee of the Disabled American Veterans, who are very active in that area in terms of employment discrimination and problems with disabled veterans.

One of the problems that I often encounter, even today, is that the individuals never get to the right person, or their claims or position are not heard by the right resources. And I have been actively contacting the affirmative action people and dealing with them in terms of trying to resolve matters in conflict. And it always seems to be a double standard or a personality situation with the younger vet in the Post Office system.

Mr. FULLER. Thank you very much. We intend to look at this situation rather closely next week and in the future.

Mr. EDWARDS. I do not think that there is a congressional office that does not have some of those cases, so I am glad the committee is going to look into it.

Mr. FULLER. Thank you, Mr. Chairman.

Mr. EDWARDS. I also want to thank Ms. Jill Cochran and Ms. Beth Kilker of the staff of the Veterans' Committee in Washington for helping us so much in these hearings. I'd like to thank this panel of witnesses. All of you have been most helpful. We have compiled today a very important record, and all the witnesses have been excellent.

The committee is grateful. I am grateful. Norm Mineta is grateful. Thank you very much for coming.

I believe, unless there are further questions, that we will adjourn.

[Whereupon, at 12 p.m., the subcommittee adjourned, to reconvene subject to the call of the Chair.]

APPENDIX

PREPARED STATEMENT OF HON. NORMAN Y. MINETA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to submit testimony regarding the problems veterans experience in the areas of education and training.

I would like to focus on two major problems: the discontinuation of the Veteran Representative on Campus Program, (Vet Rep) and complaints regarding poor dissemination of information to veterans concerning education and training assistance programs.

The Vet Rep program provided effective on-campus assistance to veterans (both students and non-students). It assisted veterans with problems concerning non-receipt of benefits and it provided information on career counseling, medical assistance, and changes in laws and regulations of concern to veterans.

Over the last year, the program has been phased out due to budgetary restraints and a subsequent reduction in staff by the Veterans Administration. There has been little effort to alleviate the problems this has created. There has been an increase in the number of veterans calling the VA directly with questions and problems, but it is not known how many veterans just gave up and quit out of frustration when help was not easily available.

The impact of the phase-out has been apparent in three direct areas:

1. Minimal dissemination of information regarding education and training benefits.
2. Increased need for assistance in resolving problems relating to receipt of benefits. For example, in my office we have experienced an increase of 95% in complaints from veterans having difficulties relating to their educational or job training programs. This is a reverse in trends from several years ago when the Vet Rep program was implemented and my office had a decrease in the number of problems reported by veterans (even though at that time the population eligible for benefits was larger).

3. A decrease in the use of education benefits by veterans enrolled in high school adult education programs, community colleges and on-the-job training programs.

The Vet Rep program provided vital direct service to the constituency. It allowed veterans to work on a one-on-one basis with a VA field representative. It allowed the ex-serviceman an opportunity to develop a positive relationship with the V.A. and helped to change the poor image veterans have had about the manner in which the VA assists them and their families.

The elimination of the Vet Rep program is closely connected with the second major concern that has been voiced in my district. There has been an increasing problem with the dissemination of information to veterans concerning education, job training and employment benefits and programs. This has manifested itself in three ways:

1. Confusion by veterans when filing benefit claim forms. Often the veteran, upon submission of his completed claim forms to the school and/or institution, is unfamiliar with the VA procedure for processing claims and the amount of time involved. This can lead to financial miscalculation by the veteran, who does not always make the correct plans and then finds himself facing financial hardship. As a result, many veterans leave their education programs before completion in order to pay for rent, groceries, etc. When they try to return to school at a later date, they are then subjected to extensive questioning, and sometimes counseling, regarding their stability and intention to complete a plan of action.

2. When additional information is requested by the Veterans Administration in order to process claims, the agency often requests one piece of information at a time instead of everything at once. This procedure _____ can delay the whole case and can add a month or more to the time needed. Even the most well-prepared veterans can suffer hardship as a result. Often they are required to purchase books and materials at the beginning of the term and the costs of the materials are sometimes quite high. This is especially true with veterans taking vocational courses or on-the-job training. The wait for reimbursement can create financial difficulties where none should exist.
3. Again, related to the basic problem, because veterans may have little direct contact with the VA, the material and information they receive is often minimal, conflicting or erroneous, depending on whom they spoke with on the telephone. Over the last several years, there has been a dramatic increase in the number of veterans who complain to my office about difficulty in obtaining status and information regarding their claims for benefits. They have also complained about receiving conflicting information which leaves them in a quandary about what to do. As this problem has become increasingly frequent, my office has heard from a number of veterans who have decided to forego their benefits rather than try to "work with the system." Many times, when these veterans have tried to reinstitute their claims, they have discovered that the delimiting date has passed and they are no longer eligible for educational benefits.

It may be necessary for the Veterans Administration to adopt standards allowing the agency to cut down on the paperwork required and to reinstitute, wherever possible, direct contact with veterans. Many ex-servicemen cannot afford the trek to the nearest regional office to get individualized service.

It seems to me that if we are serious about maintaining a voluntary military, it is essential that we demonstrate our commitment to those who serve their country. Educational and training benefits are and will always be a major incentive for people to enlist. We must, especially now, when educational grant and loan programs in other agencies are being sharply curtailed, ensure that higher education and training programs are available to more than just a very few. Thus educational benefits for veterans are an important part of our guaranteed national security.

I would recommend a reinstatement of the Vet Rep program on college campuses in some form and increase the means for providing outreach services to all veterans. We must allow our veterans to have direct contact with the agency that provides educational, job and medical benefits.

We must reassure our veterans that even in this period of fiscal restraint, they are not being forgotten or turned aside. We must remember our veterans and our commitment to them. We must not allow our promises of assistance for education and jobs to be forgotten.

Thank you.

PREPARED STATEMENT OF MARIO CHAVEZ, DISTRICT ADMINISTRATOR, EMPLOYMENT DEVELOPMENT DEPARTMENT, SANTA CLARA COUNTY, ON BEHALF OF DOUGLAS X. PATINO, DIRECTOR, EMPLOYMENT DEVELOPMENT DEPARTMENT, STATE OF CALIFORNIA

I am Mario Chavez, District Administrator of the Employment Service and Unemployment Insurance offices in Santa Clara County for the California Employment Development Department. Today I will discuss the employment situation for veterans in Santa Clara County, employment opportunities in Santa Clara County and our Department's operations which aid veterans in taking advantage of the employment opportunities in this area.

Santa Clara has acquired the nickname of Silicon Valley and is the headquarters for both semiconductor and computer manufacturing for the world. In a relatively short period of time, a couple of decades, this high technology industry has transformed what was once a valley rich in agriculture into the ninth largest manufacturing center in the United States. The population in Santa Clara County is now more than double its size in 1960. This growth has provided tremendous opportunity in all sectors of the economy of Santa Clara County.

On September 30, 1977, the veteran population of California was estimated to be 3,315,000, bringing the California growth rate in veteran population to 9.5 percent. The United States veteran population growth rate for the same time span was 5.9 percent. California's greater growth demonstrates the fact that the same enticements that draw most people to California also attract the veteran who may have been stationed here during his or her military career.

VETERANS IN SANTA CLARA COUNTY

Santa Clara County has seen no exception to this growth pattern. In California, 19.5 percent of the population are veterans; in Santa Clara County veterans make up 19.6 percent of the population. How do these veterans fare in the labor market in Santa Clara County? The average unemployment rate for Santa Clara County for the 12 months ending in August was estimated to be 5.9 percent. For Vietnam Era Vets the estimated unemployment rate for the same time period is 4.5 percent. These Vietnam Era Vets are 31 percent of the veteran population in the county. These vets, then, who have experienced difficulties transitioning to the civilian labor market and constitute nearly a third of our veteran population have a relatively low rate of unemployment here in Santa Clara County. In addition, using comparable methods of computation for our figures, we find that the unemployment rate for Vietnam Era Vets in Santa Clara County seems to be appreciably lower than the 5.8-percent rate for Vietnam Era Vets statewide. In short, Santa Clara County is a microcosm of the state with vets constituting the same proportion of the total population; but Vietnam Era Vets appear to have a significantly lower rate of unemployment in Santa Clara County than statewide even though these veterans have experienced the most difficulty in securing and holding employment since leaving the service.

EMPLOYMENT OPPORTUNITIES IN SANTA CLARA COUNTY

As mentioned above, Santa Clara County has become a center for manufacturing which accounts for 35 percent of the county's industry. Services make up 22 percent and retail trade is 14 percent. Agriculture now accounts for only 1 percent of the county's industry. The strong growth in manufacturing has been in the electronics industry and the aerospace industry. This growth has created a shortage of technically skilled workers. These major industrial sectors provide the opportunities which I will detail below.

OCCUPATIONS IN DEMAND IN SANTA CLARA COUNTY

The following is a listing of the major occupation categories in which there are excellent opportunities since the demand is high. However, it must be emphasized that most of these occupations require training and/or formal education at a minimum for entry level jobs and experience for most of the technical and professional positions.

Professional and technical

Engineers—Opportunities abound for recent college graduates particularly with a B.S. in Electrical Engineering.

Electronic Technicians—There are good opportunities for inexperienced graduates of technical schools and community colleges with preferences to those with an A.A. degree.

Drafters—Excellent opportunities exist in this field especially for electronic drafters with an A.A. degree.

Programmers—The demand for programmers is primarily for those with a B.A. or B.S. in Computer Science. However, a person with computer operator experience coupled with an A.A. degree in computer programming is likely to find a job quickly.

Medical

Registered Nurses—There is a constant demand for registered nurses.

Medical Assistants—A high demand for experienced medical and dental assistants continues in this area.

Licensed Vocational Nurses—The demand is for LVN's in convalescent hospitals.

Clerical

Secretary, Data Entry Operator, Clerk Typist, Work Processor, Computer Operator—There is a high demand for skilled and experienced workers in the above occupations. Some opportunities are available in entry level jobs if the applicant has good skills, perhaps acquired in a vocational training program.

Service

Waiter, Waitress, Cook—The largest demand in the service occupations now is in the restaurant business. Experience is usually required, and the inexperienced job seeker generally must begin in the fast food industry.

Sales

Retail trade is one of the major industry groups in Santa Clara County. There are job opportunities for experienced salespersons. In this category there is a great deal of part-time work.

Other skilled occupations

Machinist, Machine Operator, Electronic Inspector, Certified Welder, Maintenance Mechanic, Material Handler, Forklift Operator, Warehouse Worker—Experienced workers in these occupations are in high demand in this area.

Electronic Assembler—There are some entry level jobs in electronic assembly which require no experience or training, but the employment outlook in electronic assembly has changed in that more of these jobs require some prior training than in the past. Without prior training such as some CETA programs have offered or in an adult school or community college, competition for entry level jobs is stiff.

Auto Mechanic and Body Repairer—The outlook is good for well qualified, journey level mechanics and auto body repair workers.

Employment opportunities in Santa Clara County range from new high technology occupations to occupations in bench work and the services industry. One point stands out, however. That is the requirement for skills and experience. In this sophisticated job market, the entry level job seeker faces extremely stiff competition if he or she has had no occupational training or prior applicable work history. Employment opportunity abounds in the Santa Clara Valley but the highest demand is clearly for skilled and experienced workers.

THE EMPLOYMENT SITUATION FOR VETERANS IN SANTA CLARA COUNTY

The most recent estimate of the veteran population in Santa Clara County is 185,630. The Vietnam Era Vet population is estimated to be 57,000 or 31 percent of the total veteran population. However, we find that about 45 percent of the veterans who registered for work in the last 12 months with our department in Santa Clara County were Vietnam Era Vets, although the unemployment rate for Vietnam Era Vets is relatively low. Vietnam Era Vets are four percent of the population of Santa Clara County and are slightly over 5 percent of the 67,110 new applicants registered for work in our department in Santa Clara County in the 12 months ending September 30. Thus, among veterans registering for work almost half are Vietnam Era Vets, and the proportion of Vietnam Era Vets who register for work with us compared to total registrants is about the same proportion as Viet Nam Era vets in the general population.

BARRIERS TO EMPLOYMENT FOR VETERANS IN SANTA CLARA COUNTY

The most common barrier to employment in the Santa Clara Valley is a lack of the technical job skills required to meet the demands of the labor market. The recently discharged veteran often has no technical job skills training and lacks job experience that transfers to civilian employment. Other job seekers, particularly youth, have many of the same problems in securing employment. Competition is

extremely keen for the unskilled jobs and the recently discharged veteran looking for this type of work competes with other new entrants to the labor market.

Transportation problems can be a barrier to employment in the Santa Clara Valley. Most residents live in the southern part of the county and most industry is located in the northern part. Since the commute by public transportation is very difficult, lack of a car may be a barrier to employment for some job seekers.

Another barrier to employment for veterans is an unstable background since discharge, characterized by frequent job changes or frequent changes of geographic location. This job seeker is at a disadvantage when competing with an individual who has established a work history in a specific occupation in the same time span. Less specific but of the same type is the barrier of unresolved psychological or emotional problems which renders some veterans unable to participate in the labor market.

EDD'S ACTIVITIES TO AID VETERANS' EMPLOYMENT

The Employment Development Department has five Employment Service, also known as Job Service, offices in Santa Clara County. Each office has a Veterans' Employment Representative and a DVOP (Disabled Veterans Outreach Program) staff assigned. Due to federal funding uncertainties, several DVOP staff have recently found other employment, but we will be filling those positions in November 1. Several offices will have more than one DVOP staff assigned.

Our policy is to provide a reportable service to every veteran who registers with us. Examples of a reportable service are: Referral to a job opening, employment counseling, job development contacts with potential employers, and referral to other agencies.

In the fiscal year just ended, veterans received over 7,800 referrals to job openings in our offices in Santa Clara County and over 1,400 job development contacts were made on behalf of veterans seeking employment.

In Santa Clara County, we have a computerized Job Bank which processes new job orders overnight. Each morning all offices receive the same information on the new job openings listed with the Job Service in Santa Clara County. On all new job orders, there is a two hour hold, during which time period, only veterans may be referred to the job opening just listed. Thus, veterans do get preference in referral on all new job orders. It is highly likely that the first applicant the employer sees is a veteran. Since the number of referrals to a job opening is limited, veterans may be the only applicant referred if all the referral slots are filled before the 2-hour hold has expired. The Veterans Employment Representative in each office has the primary responsibility to see veterans who come to the Job Service office. The Veterans Employment Representatives also search the files for qualified veterans to refer to job openings and may periodically call veterans into the office for additional appropriate services. In some offices, the veterans unit begins work in an hour earlier than other staff to ensure that veterans are referred on the new openings.

Veterans Employment Representatives participate in the Santa Clara County Veterans Employment Committee along with representatives from veterans' organizations. An annual Job Fair held in the spring which draws 4,000 to 5,000 people and 50 to 60 employers, is a special event in which the Veterans' Employment Representatives participate to offer aid to veterans with employment problems and provide information on Job Service placement activities. As part of a discharge package, a Veterans Employment Representative goes to Moffitt Field each month to describe EDD services and provide labor market information which will aid the recently discharged veteran in transitioning to civilian employment.

DVOP staff, in addition to regular placement activities for veterans conducted within the Job Service office, may visit employers to develop jobs for veterans, refer veterans to CETA training, refer veterans for other needed services, and maintain close contact with VA hospitals. In the 12 months ending September 30, 344 disabled veterans registered for work in our Santa Clara offices and 91 were placed in jobs. Placement activities are the cornerstone of the services we provide to veterans who come to us for employment services.

How many veterans, registered for work in Santa Clara County in this past fiscal year, did we place in jobs? Over 2,300 veterans were placed in a job in this time period. Vets comprise approximately 20 percent of our male registrants and vets placed was 23 percent of all males placed. The number of Vietnam Era Vets placed was 1,124 or 48 percent of all vets placed in jobs. In addition, 54 percent of the veterans went to work on a job that paid over \$5 an hour while only 40 percent of all individuals placed (including vets) show a beginning wage over \$5 hour. Statewide data shows that only 38 percent of the veterans placed are in jobs that pay over \$5 an hour.

An innovative service which we have begun to provide for veterans is participation in Job Search Workshops where the emphasis is on self-placement. Job search skills are taught that enable the job seeker to evaluate and apply his prior experience to the demands of the local labor market. Reports indicate that this approach to aiding the job seeker is highly effective. Since we do not count jobs gained as a result of this training, we have no estimates on numbers of successful job searches.

In summary, employment opportunities in the Santa Clara Valley are numerous but experience and training is usually required for the demand occupations. Some veterans may be limited in their access to these opportunities by barriers to employment. The Job Service offices in performing the labor exchange function seek to aid all veterans in securing suitable employment and where possible to ameliorate the effects of the barriers by giving veterans preference on all job orders and providing other special services. We plan to continue these activities for veterans and include innovative service techniques as we move further into the exciting decade of the 1980's.

PREPARED STATEMENT OF RONALD L. MILLER, STATE DIRECTOR OF CALIFORNIA
VETERANS EMPLOYMENT SERVICE

Mr. Chairman and Members of the Committees, I appreciate the opportunity to address some brief comments to you on the status of veterans employment and training programs, specifically in California. With me this morning is my assistant State Director, Earl Martin, who is assigned to the Santa Clara-San Jose area and who will respond to questions relating to this area. The employment situation in California appears to be better in most respects than in the nation as a whole. However, with over 3 million veterans and one million Vietnam-Era veterans in California, we still face a major challenge in trying to put our veterans to work, particularly during this time of reductions in the Federal Budget. I believe we are equal to that challenge.

The California Employment Development Department (E.D.D.) has undergone, a reorganization to bring its expenditures in line with a reduced budget. The E.D.D. leadership moved decisively in its initial adjustment and will undoubtedly continue to maintain fiscal viability. I am pleased to report that E.D.D. is currently meeting the Indicators of Compliance by which we measure services to veterans. My office will be working closely with E.D.D. during this fiscal year to assure this level of performance is maintained.

The Disabled Veterans Outreach Program (DVOP) established by federal law is presently being phased in as a permanent program in California according to State Merit System procedures and regulations. Initially E.D.D. was less than enthusiastic, as were most of the State Employment Security Agencies (SESAS) about the requirement to absorb the DVOPs at a time when large staff cuts were being made.

E.D.D. appeared to be faced with a difficult situation. Strong support by the various veteran organizations and oversight hearings by the California Assembly Select Committee on Veterans Affairs, chaired by Assemblyman Richard Floyd, assisted E.D.D. in the development of transition procedures.

The first group of DVOP specialists will be brought on board on November 2. The assignment of the DVOPs to local offices and to specific outstations is now being negotiated and will be ready by November 2.

Of course, there are still several problem areas which my office is working with E.D.D. to resolve. Adequate registration of veterans continues to pose problems in some parts of the state. In many offices, applicants for whom no reportable service can be given are requested to keep their applications and bring them on their next trip to the office. This policy has, in part, led to a decline of about 28 percent in the number of veteran applications between Fiscal Years 1980 and 1981. We in V.E.S. believe all veterans should be encouraged to file complete applications on their first visit in order to find out about the variety of services available to them not only through E.D.D., but through the Veterans Administration and local Comprehensive Employment and Training Act (CETA) Programs.

Turning to services to veterans under local CETA programs, participation of veterans in CETA has declined somewhat over the past several years, and I expect that trend will continue. The veteran population is getting older, and the employment and training needs of veterans, particularly Vietnam and disabled veterans, are different from the needs of the general CETA client population.

In a tightening fiscal framework, local CETA Prime Sponsors are moving away from specially targeted programs towards consolidation in order to conserve resources. My office is, however, continuing to work with local communities to find ways to increase and improve services to veterans. Recently California provided monies from the Governor's 4 Percent Discretionary CETA funds to support several

new veterans programs which we hope will prove successful and serve as an inducement to local CETA Prime Sponsors to fund similar programs.

Thank you, Mr. Chairman, for this opportunity. Mr. Martin and I are ready for your questions.

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